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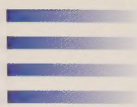


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Workplace gazette

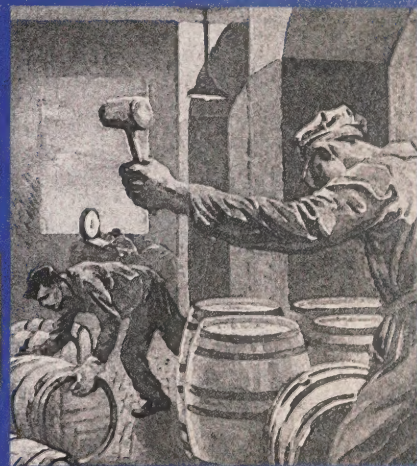
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**Spring
2001**

Vol. 4, No. 1

- Arbitrator by
Lottery – Alberta's
Ministerial
Appointment
System
- Recent Research
and Developments
in Comparative
Industrial Relations
- Work and Family
Provisions in
Canadian
Collective
Agreements



Workplace gazette

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Quarterly

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Alliance of Canada.*

AT A GLANCE

The *Workplace Gazette* presents a wide range of information and analysis to meet the ever-changing needs of the industrial relations community. Its purpose is to provide a sound base for research in support of the bargaining process.

The *Workplace Gazette* includes information and analysis on wage adjustments, collective agreement provisions, innovative workplace practices, work stoppages, upcoming key negotiations and other related topics.

Section 1

In this issue, Section 1 includes the annual and fourth quarter data for 2000 on wage adjustments in major collective agreements, both current and historical by public and private sectors, by region, by jurisdiction and by major industry. Also included is a selection of key collective bargaining negotiations for the upcoming year and a listing of major settlements reached in the fourth quarter of 2000.

Section 2

Section 2 includes an overview of work and family balance on the international scene and information on work stoppages for the third and fourth quarters of 2000.

Section 3

Section 3 summarizes innovative practices in the workplace resulting from collective bargaining. An inclusion dedicates a National Day of Mourning in memory of those who have died or been injured as a result of a workplace accident. Case studies include the following: highlights from a conference on youth health and safety in the workplace are presented and from a conference on harnessing the power of joint workplace committees at New Brunswick Power Corporation. Algoma Central Railway provides a joint labour-management participation initiative which evolved from a negotiated provision within their current collective agreement.

Articles include a description of an innovative process for arbitrator selection in Alberta, and a piece on recent research and developments in comparative industrial relations. An executive summary of a major report on work and family provisions in Canadian collective agreements is also featured.

Recent changes in Canadian Labour Laws focus on adopted bills, regulations and other statutory instruments.

Yesterday and Today describes how work and family, a current preoccupation, was also a major preoccupation 50 years ago.

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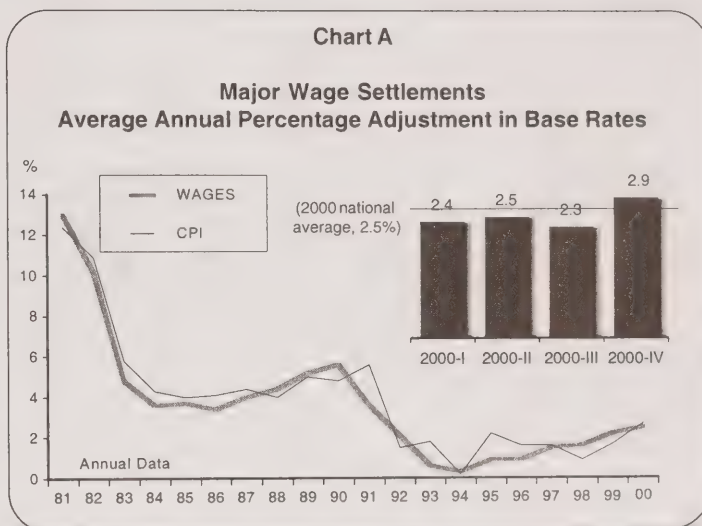
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SECTION 1

MAJOR WAGE SETTLEMENTS* – ANNUAL AND FOURTH QUARTER 2000

Summary

- Annual base rate wage adjustments averaged 2.5 per cent in the year 2000, an increase from 2.2 per cent in 1999
- Public sector wage adjustments averaged 2.5 per cent in 2000, just slightly greater than the 2.3 per cent increase in the private sector
- Wage adjustments were highest in the Prairie Provinces at 3.8 per cent; wage adjustments were lowest in British Columbia at 1.7 per cent
- The vast majority of employees (73 per cent) in the year 2000, received increases in the 2.0 to 2.9 per cent range



Source: Workplace Information Directorate

Overview

Major collective bargaining settlements reached in the year 2000 provided base-rate wage

adjustments averaging **2.5 per cent** annually over the contract-term, an increase from the 2.2 per cent average for the year 1999.

Wage Adjustments (%) and Increases in the CPI (%), 1994 to 2000

	1994	1995	1996	1997	1998	1999	2000
<u>The CPI</u>	0.2	2.2	1.6	1.6	0.9	1.7	2.7
<u>Wage Increases</u>							
All Industries	0.3	0.9	0.9	1.5	1.7	2.2	2.5
Public Sector	0.0	0.6	0.5	1.1	1.6	1.9	2.5
Private Sector	1.2	1.4	1.8	1.8	1.8	2.6	2.3
Manufacturing Sector	2.0	2.2	2.8	2.3	1.5	3.3	2.4

Source: Workplace Information Directorate

The results for the year 2000 are based on a review of 357 settlements covering 1,039,200 employees.

The average wage adjustment in the year 2000 was above the average in contracts they replaced. When the parties to the year 2000 settlements last negotiated, the resulting wage adjustments averaged only 1.4 per cent, compared to the current 2.5 per cent.

* Major settlements are those involving bargaining units of 500 or more employees. All wage rate adjustments over the term of these agreements, including those arising from cost-of-living clauses (COLA), are taken into account. The yield of such COLA clauses is estimated on an assumed 2.0 per cent annual increase in the Consumer Price Index.

Wage increases have risen moderately but steadily since the record low 0.3 per cent average annual adjustment recorded in 1994. The average rose slightly to 0.9 per cent in 1995 and 1996, then to 1.5 per cent in 1997, to 1.7 per cent in 1998 and to 2.2 per cent in 1999. The 2.5 per cent gain in the year 2000 remains well below the annual peak of 5.6 per cent recorded in 1990.

Also since 1994, only in 1998 and 1999, have average wage adjustments been above the year-over-year rise in the Consumer Price Index (CPI). For the year 2000, average wage adjustments (2.5 per cent), returned to a level below the year-over-year rise in the CPI (2.7 per cent).

The last decade has seen an increase in contracts of longer duration. Contract-duration averaged 35.3 months in the year 2000, the second longest in any year since the wage-settlements series commenced in 1978 (the longest was in 1999 at 36.4 months). In 1978, the average length of contract duration was 18.9 months. While longer-duration contracts have occurred in both sectors since 1995,

private-sector settlements have been of longer average duration than those in the public sector. In the year 2000, public sector contract-duration averaged 34 months compared to 43 months in the private sector.

Public and Private Sectors by Jurisdiction

An overall rise in average wage adjustments to 2.5 per cent in the year 2000 resulted despite the movements in opposite directions in the public and private sectors. In the **public sector**, wage adjustments averaged **2.5 per cent** for 880,160 employees in 267 settlements, an increase from the 1.9 per cent average adjustment in that sector in 1999. In the **private sector**, wage adjustments in the year 2000 for only 159,040 employees in 90 settlements, averaged **2.3 per cent**, down from an average of 2.6 per cent in 1999. Throughout the 1990's, private-sector wage gains had remained above those in the public sector.

The majority of major settlements (75 per cent) and the largest concentration of employees (85 per cent) covered in the year 2000, were

in the public sector. One of the largest average annual wage increases in the public sector was recorded in Alberta at 4.4 per cent (35 agreements covering 63,870 employees). Excluding the Alberta public-sector agreements from the wage series, wage adjustments in the remaining settlements would average 2.3 per cent (both public sector and all agreements). The Alberta public-sector adjustments exerted some upward pressure on the public-sector and the aggregate wage figures.

In the federal public sector, 23 agreements provided 210,460 employees with wage increases averaging 2.2 per cent. In Quebec, 76 public-sector agreements provided 323,740 employees with wage increases averaging 2.3 per cent and in Ontario 75 public-sector agreements provided 175,140 employees with wage gains averaging 2.5 per cent. The smallest public-sector adjustment was recorded in British Columbia at 1.4 per cent (24 agreements covering 38,370 employees). (See **Table C-1 on page 27** which provides a perspective on wage gains from major collective bargaining settlements in the public and private sectors by jurisdiction.)

Distribution of Agreements and Employees by Size of Wage adjustments – 2000

Increase Range	# of agts.	% of agts.	# of empls.	% of empls.
0%	6	1.7	6,590	0.6
>0%-0.9%	17	4.8	20,750	2.0
1.0%-1.9%	40	11.2	82,600	7.9
2.0%-2.9%	205	57.4	758,000	72.9
3.0%-3.9%	45	12.6	87,370	8.4
4.0%-4.9%	30	8.4	51,970	5.0
5.0%-5.9%	7	2.0	14,590	1.4
6.0%-6.9%	1	0.3	6,410	0.6
7.0% and over	6	1.7	10,920	1.1
All levels	357	100.0	1,039,200	100.0

Source: Workplace Information Directorate

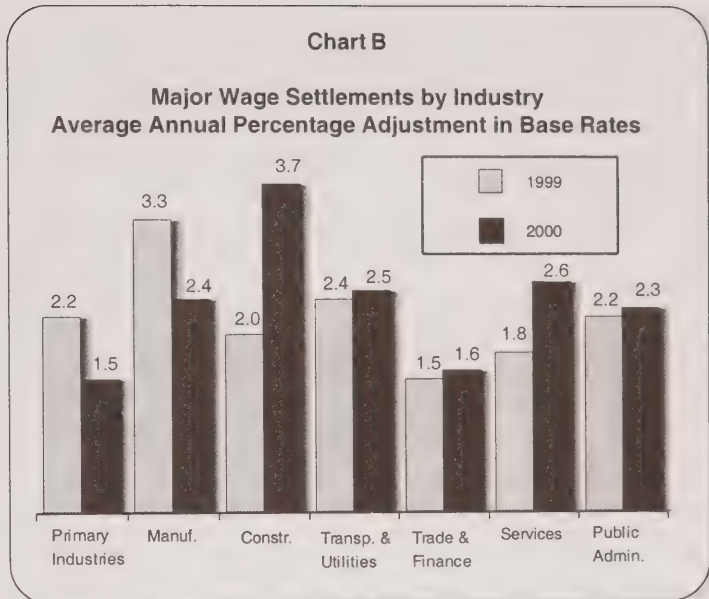
In the private sector, agreements ranged from a wage freeze in two settlements (Laurentian Bank and Hub Meat Packers) to 5.0 per cent in a single agreement (Ontario Sheet Metal and Air Handling Group). By province, the largest private-sector average wage adjustment was in Alberta at 4.8 per cent which resulted from a single major agreement (Calgary Laboratory Services). The lowest average wage adjustment was in New Brunswick at 1.4 per cent (6 agreements covering 3,740 employees).

Distribution by Size of Wage Adjustments

The low incidence of wage freezes and wage cuts continued in 2000, where 0.6 per cent of all employees in the year's 357 settlements were subject to wage freezes and rollbacks. In contrast, 926,700 employees in 237 settlements reached in 1999 were subject to wage freezes and wage cuts, constituting two-thirds of all employees in the 518 settlements reached in that year.

The vast majority of employees in 2000, received increases in the 2.0 to 2.9 per cent range (73 per cent); 10.5 per cent of all employees received wage adjustments below 2.0 per cent and 16.5 per cent received increases of 3.0 per cent and over.

In comparison, in 1999, a larger proportion of employees received wage adjustments at the lower end of the wage scale (50.7 per cent of all employees received wage adjustments below the 2.0 per cent



Source: Workplace Information Directorate

level in 1999). Only 24.7 per cent of all employees received increases in the 2.0 to 2.9 per cent range and 24.6 per cent of all employees received wage gains of 3.0 per cent and over.

Wage Adjustments by Industry

On an industry basis, the largest concentration of employees was in the **services sector** (47 per cent of all employees); this was due to

Major Wage Settlements by Industry
Average Annual Percentage Adjustment in Base Rates – 1998-2000

Industry	1998		1999		2000	
	wage(%)	empls.	wage(%)	empls.	wage(%)	empls.
Primary Industries	1.1	1,790	2.2	6,710	1.5	4,870
Manufacturing	1.5	85,100	3.3	103,920	2.4	66,410
Construction	2.4	95,970	2.0	97,830	3.7	8,600
Transp./Comm./Utilities	1.9	83,930	2.4	136,200	2.5	118,430
Trade & Finance	1.6	26,800	1.5	18,410	1.6	54,120
Service Industries	1.4	377,240	1.8	313,200	2.6	489,210
Public Administration	1.8	247,800	2.2	144,420	2.3	297,560
All Industries	1.7	918,630	2.2	820,690	2.5	1,039,200

Source: Workplace Information Directorate

the large number of public sector settlements in the education and health sub-sectors across the country. Wage increases in the services sector averaged **2.6 per cent**, which was just a fraction above the national average.

The largest average wage increase in the year 2000 was in the **construction sector**, at **3.7 per cent**. However, this sector had relatively few settlements and a low coverage of 8,600 employees. The size of the average wage adjustment in this sector was largely a result of the Ontario Sheet Metal and Air Handling Group settlement, providing 5,000 workers with wage gains of 5.0 per cent.

In **transportation, communications and other utilities**, wage adjustments in 2000 averaged

2.5 per cent for 118,430 employees. The majority of employees covered in these settlements (57 per cent) were in the Federal jurisdiction; they received an average wage adjustment of 2.2 per cent.

All remaining industry sector figures were below the national average of 2.5 per cent. For 66,410 employees in **manufacturing**, wage adjustments averaged **2.4 per cent**. Of these, 24,070 were in Ontario with an average adjustment of 2.6 per cent, while 21,550 employees in British Columbia received wage increases averaging 2.0 per cent and 15,370 in Quebec received increases averaging 2.7 per cent.

In **public administration**, 297,560 employees (29 per cent of all employees) received wage adjustments averaging **2.3 per cent** in settlements reached in 2000. Of these, 15 federal public sector agreements accounted for 51 per cent of employees covered in this jurisdiction; wage increases for these averaged 2.1 per cent.

Wage adjustments in the **trade sector** in 2000 averaged 1.6 per cent for 54,120 employees. The majority (76 per cent) of employees covered in these contracts were in Ontario. The smallest average increase in wage adjustments was recorded in **primary industries** at **1.5 per cent**. There were only three settlements in this sector in the year 2000, covering 4,870 employees (0.5 per cent of all employees).

Fourth Quarter – 2000

- The collective agreements reached during the fourth quarter of 2000 provided base-rate adjustments averaging 2.9 per cent annually, the highest quarterly rate for the year
- On an industry basis, the largest average wage adjustment was in the Services sector, while the lowest was in the manufacturing sector
- The fourth quarter results are based on a review of 63 agreements covering 118,790 employees
- The collective agreements reached during the fourth quarter of 2000 provided wage adjustments averaging 2.9 per cent annually over the contract term, the highest quarterly rate in the year. This rate compares with 2.3 per cent in the third quarter, 2.5 per cent in the second, and 2.4 per cent in the first. The overall annual average was 2.5 per cent. The Consumer Price Index for the fourth quarter was 3.1 per cent and 2.7 per cent for the whole year.
- Most of these 63 agreements are in the public sector (48 agreements and 79.8 per cent of the employees). The average wage adjustment in this sector is 3.1 per cent, compared with 2.2 per cent in the private sector
- Average contract duration for the agreements signed in the fourth quarter was 33 months and the average wage adjustment was 2.9 per cent. The average duration of the previous agreements signed by the same parties was 31 months and the average annual wage adjustment was 1.7 per cent.
- The vast majority of the agreements were reached in Ontario and the Prairie Provinces
- On a regional basis, average wage adjustments were highest in Atlantic Canada and lowest in British Columbia

The fourth-quarter results are based on a review of 63 agreements covering 118,790 employees. Most of these agreements and the employees covered are in the public sector (48 agreements and 79.8 per cent of the employees). The average wage adjustment in this sector was 3.1 per cent, compared with 2.2 per cent in the private sector. This is the third consecutive quarter showing higher wage adjustments in the public sector than in the private sector; only the fourth time this has happened since 1994. During the fourth quarter of 2000, wage increases in the public sector were influenced by the agreements reached in the Prairies (an average 3.5 per cent increase for 31 per cent of the public-sector employees affected) and in Atlantic Canada (an average 4.4 per cent increase for 7.0 per cent of the public-sector employees).

On a regional/jurisdictional basis, the **Prairie Provinces** posted the largest number of workers covered by a new agreement during the fourth quarter: 14 agreements covering 29,610 employees (24.9 per cent of all employees) who received an annual wage adjustment of **3.5** per cent, the second highest rate in the quarter.

In terms of average wage adjustments, the highest region was **Atlantic Canada** with **3.9 per cent** for four agreements covering 7,580 employees. **Ontario** was third highest with **2.9** per cent for 17 agreements covering 24,850 employees; then came **Quebec** with **2.7** per cent for 10 agreements covering 18,360 employees, followed by the **federal jurisdiction** with **2.4** per cent for eight agreements covering 23,760 employees, and finally, **British Columbia** with **2.3** per cent for nine agreements covering 12,110 employees.

On an industry basis, the largest number of workers negotiating new agreements came from the **services** sector with 43.4 per cent or 51,580 of the workers. The average annual wage adjustment of **3.6** per cent for this group, based on a review of 27 agreements, was also the highest of all industry sectors. Twenty-four of these agreements, occurred in the education sub-sectors of Newfoundland, Quebec, Ontario and the Prairies, while one agreement in the health sector provided 5,300 nurses in New Brunswick with a 3.8 per cent increase. Specifically, the wage differences in the services sector ranged from a wage freeze in Ontario for 900 Ottawa-Carleton School Board supply teachers to a 10.4 per cent increase for 770 university professors in Newfoundland (2.0 per cent the first year, 27.9 per cent the second, and 3.0 per cent the third).

The largest of all the bargaining units reaching new agreements during the quarter was the one representing 12,150 teachers in Saskatchewan who received a 3.6 per cent increase.

The only agreement reached in the **primary** sector provided an average wage adjustment of **2.3** per cent for the 700 employees of the federal jurisdiction's Hudson Bay & Smelting company.

In the **manufacturing** sector, six agreements, covering 6,890 employees, provided an average wage adjustment of **1.4** per cent, the lowest of all industry sectors. These agreements covered a range of settlements from a wage freeze for 760 employees at Hub Meat Packers in New Brunswick to 3.0 per cent for 580 Aventis Pasteur employees in Ontario. The largest group reaching a new agreement during the quarter was the one composed of 2,950 Alcan employees in Quebec; this group's two agreements provided an average adjustment of 0.8 per cent.

With an average wage adjustment of **2.8** per cent, **transportation, communications and other utilities** was the sector posting the second highest increase for the quarter. In this sector, nine agreements, covering 17,080 employees, were negotiated. Five of these agreements were with the federal jurisdiction and covered 10,820 employees who received 2.3 per cent. This group included 4,710 Air Canada customer-service employees (2.5 per cent) and 3,500 Canadian National Rail employees (2.0 per cent). Two other agreements, one in Quebec and the other in Ontario, gave 2,480 Entourage Technology Solutions Inc. an average increase of 4.9 per cent.

Wage adjustments recorded in the **trade** sector were the second lowest of all sectors: a total of 6,350 employees covered by five agreements received an average adjustment of **1.6** per cent. This overall rate was affected by the average annual adjustment of 1.0 per cent accepted by 3,000 Zehrs Markets employees in Ontario.

Finally, in the **public administration** sector, the average settlement was **2.5** per cent for 36,190 or 30.5 per cent of all the employees which represents the second largest group reaching agreements during the quarter (15 agreements). Twelve of these were municipal agreements providing a 2.6 per cent increase, including seven in British Columbia covering 9,540 employees, (almost one third of all the public administration employees) who received an average

wage adjustment of 2.3 per cent. Another six agreements were reached in the provincial government sector, providing a 2.9 per cent increase, including one covering 3,800 provincial police officers in Quebec (2.2 per cent increase), and a further three were with the federal jurisdiction (2.4 per cent increase). Specifically, 6,320 federal engineers and scientists received an average wage adjustment of 2.3 per cent; 5,920 Canada Customs and Revenue Agency employees received 2.5 per cent and 2,520 Northwest Territories office employees received 3.4 per cent.

There were no settlements in the **construction** sector during the fourth quarter of 2000.

Distribution by Size of Wage Adjustments

The average overall adjustment of 2.9 per cent recorded in the fourth quarter was not only the highest of all quarters in 2000, but also the highest of any quarter (3.2 per cent) since the third quarter of 1992 (not counting the fourth quarter of 1999, when it was also 2.9 per cent).

During the fourth quarter of 2000, almost half the workers affected by new agreements (49.3 per cent of the employees and 28 agreements) received an average annual wage increase of 2.0 to 2.9 per cent. For 2000 as a whole, 73 per cent of all workers received a wage increase on this scale. The second largest group, representing 29 per cent of the workers and 17 agreements, received average increases in the 3.0 to 3.9 per cent range.

On the other hand, two agreements affecting 1.4 per cent of all workers froze wages. For 2000 as a whole, only a slight 0.6 per cent of all workers renewing contracts accepted a wage freeze, compared with 3.3 per cent in 1999 and 58.1 per cent in 1994. Only 6.6 per cent of the workers reaching new collective agreements in the fourth quarter received wage adjustments in the 0.1 to 1.9 per cent range (five agreements). Another group, representing 6.6 per cent of the workers covered received wage increases of between 4.0 per cent and 4.9 per cent. A further group, representing 6.8 per cent of employees (five agreements) received increases of 5.0 to 5.9 per cent. One agreement, ratified on behalf of 770 Memorial University professors in Newfoundland, received average annual wage adjustments of 10.4 per cent.

KEY COLLECTIVE BARGAINING NEGOTIATIONS – 2001 *(Involving 500 or more employees)*

Employer and Province	Number of Employees	Expiry Month	Employer and Province	Number of Employees	Expiry Month
NEWFOUNDLAND			QUEBEC (continued)		
Fishery Products Intl.	3,000	Dec.	Scott Papers	540	April
Government of Newfoundland and Labrador			Stone Consolidated	670	April
Provincial Administration	5,090	March	Association des entrepreneurs de services d'édifices	5,000	*
Education Sector	10,670	March/Sept.	Hydro Québec	2,400	*
Health Sector	14,450	March/June	Government of Quebec		
			Provincial Administration	2,550	*
			Education Sector	4,050	May/Nov.
			Education Sector	6,800	*
			Municipal Administration	15,300	Feb.-Dec.
			Municipal Administration	2,270	*
PRINCE EDWARD ISLAND			ONTARIO		
Government of Prince Edward Island			A.G. Simpson	2,000	July
Provincial Administration	1,700	March	Construction Sector	87,290	April/Dec.
Education Sector	1,440	June	Atlas Speciality Steels	740	March
Health Sector	800	March	Bayer	900	Jan.
Health Sector	1,445	*	Boeing Toronto	1,200	Oct.
			Brewers Retail	5,200	Dec.
			Burns International	1,700	May
			CAMI Automotive	2,040	Sept.
			CAMCO	950	April
			Canadian Fabricated Products	750	Dec.
			Cargill Foods	600	Sept.
			Ford Electronics	1,500	Jan.
			General Electric Canada	1,000	Feb.
			Great Atlantic & Pacific	8,380	June
			Lear Corporation	1,100	April/Dec.
			New Dominion Stores	6,250	July
			Ontario Hydro Services	4,000	March
			Siemens Canada	900	July
			Toronto Hydro**	1,600	Jan.
			Toronto Star Newspaper	1,100	Dec.
			Uniroyal Goodrich Tire	900	May
			Windsor Casino	3,100	March
			Electrical Power Systems		
			Construction Association	1,000	*
			GO Transit	700	*
			Government of Ontario		
			Provincial Administration	54,030	March/Dec.
			Provincial Administration	500	*
			Education Sector	58,500	April/Dec.
			Education Sector	112,860	*
			Health Sector	69,960	March/Oct.
			Health Sector	5,710	*
			Municipal Administration	38,180	March/Dec.
			Municipal Administration	11,240	*
NOVA SCOTIA					
Construction Sector	3,300	April			
Nova Scotia Power	1,000	March			
National Sea Products	500	*			
Nova Scotia Liquor Commission	600	*			
Trenton Works	1,220	*			
Government of Nova Scotia					
Provincial Administration	6,860	*			
Education Sector	12,420	March/Dec.			
Education Sector	5,770	*			
Health Sector	4,500	March			
Health Sector	9,270	*			
NEW BRUNSWICK					
Connors Bros.	1,200	Dec.			
Construction Sector	1,200	June			
New Brunswick Association of Nursing Homes	2,200	*			
New Brunswick Power Corp.	1,400	*			
Government of New Brunswick					
Provincial Administration	860	Nov.			
Provincial Administration	6,210	*			
Education Sector	3,090	March/June			
Education Sector	7,600	*			
Health Sector	7,620	*			
QUEBEC					
Associated Clothing Manufacturers of the Province of Quebec	3,500	Nov.			
Construction Sector	68,910	April			
Bombardier	4,660	Nov.			
Quebec Cartier Mining	1,790	Feb.			
JB Asbestos	540	Jan.			
Noranda	1,140	May/Oct.			
QIT Fer et Titane	900	April			

* Carried over from 2000

** Tentative agreement

KEY COLLECTIVE BARGAINING NEGOTIATIONS – 2001 (continued)
(Involving 500 or more employees)

Employer and Province	Number of Employees	Expiry Month	Employer and Province	Number of Employees	Expiry Month
MANITOBA			BRITISH COLUMBIA (continued)		
Canada Safeway	4,000	Nov.	Cominco	2,050	May/Dec.
Construction Sector	2,950	April	Okanagan Federated Shippers	1,000	Aug.
Garment Manufacturers Association of Western Canada	1,280	*	Pacific Press	1,060	Nov.
Motor Coach Industries	1,620	*	Construction Sector	13,000	*
Government of Manitoba			Government of British Columbia		
Education Sector	3,940	March/Oct.	Provincial Administration	31,750	March
Education Sector	7,630	*	Education Sector	56,310	March/Dec.
Municipal Administration	4,130	*	Education Sector	7,160	*
			Health Sector	86,660	March
			Health Sector	3,270	*
			Municipal Administration	1,600	Dec.
			Municipal Administration	2,720	*
SASKATCHEWAN			MULTIPROVINCE		
International Minerals & Chemical	700	Jan.	Boilermaker Contractors	4,500	June
Real Canadian Superstores	1,720	May	Canadian Automatic Sprinkler	3,400	April/Sept.
SaskEnergy	760	Jan.	Pipe Line Contractors	4,500	*
SaskPower	640	Jan.			
SaskPower	1,150	*			
Saskatchewan Liquor Board	700	March			
Saskatchewan Government Insurance	1,390	*			
Government of Saskatchewan					
Provincial Administration	9,560	*			
Education Sector	3,070	June/Dec.			
Education Sector	4,630	*			
Health Sector	24,420	March			
Health Sector	620	*			
Municipal Administration	2,480	*			
ALBERTA			FEDERAL JURISDICTION		
Construction Sector	20,850	Feb./April	Newtel Communications, Nfld.	1,000	Dec.
Calgary Co-operative	3,200	July	Vidéotron, Que.	1,700	Dec.
Canada Safeway	10,500	March	MTS Communications and		
Delta Catalytic Industrial Services	1,090	Dec.	Manitoba Telecom, Man.	2,160	Feb./Dec.
Suncor Energy	980	April	Air Canada	4,550	Oct.
TransAlta Utilities	620	Dec.	Canpar Transport	1,600	Oct.
Cargill	1,620	*	Canada Customs and		
TELUS	620	*	Revenue Agency	5,920	June
Government of Alberta			Canada Customs and		
Provincial Administration	19,490	March/Aug.	Revenue Agency	42,020	*
Education Sector	18,080	June/Dec.	Canada Post	13,360	March/Dec.
Education Sector	3,160	*	Canadian Broadcasting	8,440	June/Dec.
Health Sector	27,280	March/Dec.	Canadian Broadcasting	1,170	*
Municipal Administration	2,700	Dec.	Canadian Lake Carriers	600	May
Municipal Administration	10,470	*	Expertech Network		
BRITISH COLUMBIA			Installation, Ont. and Que.	1,400	Nov.
B.C. Gas Utility	650	March	Laurentian Bank of Canada and		
B.C. Gas Utility	660	*	Laurentian Trust		
Construction Sector	1,200	April	of Canada, Ont. and Que.	1,690	June
Canadian Fishing	1,700	April	NAV CANADA	3,040	March/April
Coast Mountain Bus	3,100	March	NAV CANADA	1,900	*
			Federal Administration	2,140	June/Aug.
			Federal Administration	115,100	*
			Cape Breton Development, N.S.	1,300	*
			Quebec Telephone	1,020	*
			TELUS	16,080	*
			British Columbia Terminal		
			Elevator Operators	750	*
			Council of Marine Carriers, B.C.	1,150	*
			Canadian Food Inspection Agency	4,330	*
			CN, CP and VIA RAIL	20,220	*

* Carried over from 2000

MAJOR SETTLEMENTS REACHED IN THE FOURTH QUARTER 2000

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Primary (1 agreement)	700	2.3	3.5	36	
Hudson Bay Mining and Smelting Co. Ltd., mine employees, Flin Flon, Man.	700	2.3*	3.5	36	2002-12-31
Manufacturing (6 agreements)	6,890	1.4	2.1	34.7	
Alcan Smelters and Chemicals Ltd., hourly-rated employees, Jonquière, Que.	2,450	0.8	2.5	36	2003-12-31
Alcan Smelters and Chemicals Ltd., hourly-rated employees, Shawinigan, Que.	500	0.8	2.5	36	2003-12-31
Aventis Pasteur Limited, plant and maintenance employees, Toronto, Ont.	580	3.0	3.0	36	2003-09-30
Canadian Forest Products Ltd., mill employees, Prince George, B.C.	1,500	2.0	2.0	36	2003-06-30
Hub Meat Packers Ltd., processing employees, Moncton, N.B.	760	0.0	0.0	24	2002-10-14
Maple Lodge Farms Ltd., production employees, Norval, Ont.	1,100	2.5	2.4	36	2003-10-12
Transportation, Communication and Other Utilities (9 agreements)	17,080	2.8	2.9	34	
AT&T Canada Long Distance Services Company, telephone operators, Canada-wide	1,000	2.3	2.5	36	2003-12-31
Air Canada, customer service, system-wide	4,710	2.5	2.5	24	2004-03-27
Canadian National Railway Company, bridge and structure employees, system-wide	3,510	2.0	2.0	36	2003-12-31
City of Edmonton, bus drivers, Edmonton, Alta.	1,480	3.0	3.0	36	2002-12-28
Entourage Technology Solutions Inc., technical employees, province-wide, Ont.	1,370	4.9	5.8	48	2004-09-30
Entourage Solutions Technologiques Inc., technical employees, province-wide, Que.	1,110	4.9	5.8	48	2004-09-30
Government of Canada, electronic technicians, Canada-wide	1,100	2.3	2.0	24	2001-08-31
Manitoba Hydro-Electric Board, service and maintenance employees, province-wide, Man.	2,300	2.7	3.0	36	2003-05-21
Waterfront Foremen Employers Association, foremen, Vancouver, B.C.	500	2.3*	1.8	48	2002-12-31
Trade and Finance (5 agreements)	6,350	1.6	1.1	52.1	
Liquor Board of Saskatchewan, office and clerical employees, province-wide, Sask.	700	2.0	2.0	36	2001-03-31
Manitoba Liquor Control Commission, administrative services employees, province-wide, Man.	700	2.3	2.3	36	2003-03-31
Sobey's Québec, wholesale employees, Montréal-Nord, Que.	660	1.7	1.0	36	2003-07-04
Société des alcools du Québec, office and clerical employees, province-wide, Que.	1,290	2.5	2.5	36	2002-12-31
Zehrs Markets, Division of Zehrmart Limited, retail employees, Essex County, Ont.	3,000	1.0*	0.0	70	2006-07-01

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Community, Business and Personal Services (27 agreements)	51,580	3.6	4.3	29.9	
Black Gold Regional Division No. 18, elementary and secondary teachers, Nisku, Alta.	500	3.4	3.4	12	2001-08-31
Board of School Trustees of the Edmonton Catholic Regional Division No. 40, elementary and secondary teachers, Edmonton, Alta.	1,830	3.4	3.4	12	2001-08-31
Carleton University, support employees, Ottawa, Ont.	580	2.7	3.0	24	2002-06-30
District School Board of Niagara, elementary teachers, St. Catharines, Ont.	1,900	5.0	5.0	12	2001-08-31
District School Board of Niagara, secondary teachers, St. Catharines, Ont.	1,020	5.0	5.0	12	2001-08-31
Elk Island Public Schools Regional Division No. 14, elementary and secondary teachers, Elk Island, Alta.	920	3.4	3.4	12	2001-08-31
Government of New Brunswick, nurses, province-wide, N.B.	5,300	3.8	9.5	42	2003-12-31
Government of Saskatchewan, elementary and secondary teachers, province-wide, Sask.	12,150	3.6	4.5	32	2002-08-31
Kawartha Pine Ridge District School Board, office and clerical employees, Peterborough, Ont.	1,200	1.2	0.0	56	2002-08-31
Limestone District School Board, elementary teachers, Kingston, Ont.	780	3.5	3.5	12	2001-08-31
Limestone District School Board, secondary teachers, Kingston, Ont.	600	3.6	3.6	12	2001-08-31
London District Catholic School Board, elementary and secondary teachers, London, Ont.	1,300	2.0	2.0	24	2002-08-31
Manitoba Lotteries Corporation, casino employees, Winnipeg, Man.	1,650	5.1	5.9	42	2003-09-30
McGill University, office and clerical employees, Montréal, Que.	1,400	5.1	4.6	24	2002-11-30
Memorial University of Newfoundland, administrative services employees, St. John's, Nfld.	750	2.1	3.0	23	2001-09-01
Memorial University of Newfoundland, professors, St. John's, Nfld.	770	10.4	2.0	36	2002-08-31
Ontario Council of Regents for Colleges of Applied Arts & Technology, support employees, province-wide, Ont.	6,000	2.5	2.0	36	2003-08-31
Ottawa-Carleton District School Board, occasional teachers, Nepean, Ont.	900	0.0	0.0	12	2001-08-31
Parkland School Division No. 70, elementary and secondary teachers, Stony Plain, Alta.	510	3.8	3.8	12	2001-08-31
Southern Alberta Institute of Technology, instructors/tutors/lecturers, Calgary, Alta.	720	3.9	3.8	36	2002-06-30
Station Mont-Tremblant, Société en commandite, hotel or restaurant employees, Mont-Tremblant, Que.	1,480	3.0	3.0	60	2005-10-31
University of Alberta, administrative and support employees, Edmonton, Alta.	3,000	4.0	4.0	24	2002-03-31
University of Montreal, professors, Montréal, Que.	1,510	4.0	5.0	36	2003-05-31
University of Saskatchewan, professors, Saskatoon, Sask.	900	4.7*	4.1	36	2001-06-30
Upper Grand District School Board, secondary teachers, Guelph, Ont.	710	3.8	3.8	12	2001-08-31
Vancouver Public Library Board, librarians, Vancouver, B.C.	1,070	2.3	2.0	36	2002-12-31
Waterloo Region District School Board, elementary teachers, Kitchener, Ont.	2,130	5.0	5.0	12	2001-08-31

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Public Administration (15 agreements)	36,190	2.5	2.1	33	
Canada Customs and Revenue Agency, auditors, Canada-wide	5,920	2.5	2.5	12	2001-06-21
City of Coquitlam, inside and outside employees, Coquitlam, B.C.	770	2.3	2.0	36	2002-12-31
City of Edmonton, inside employees, Edmonton, Alta.	2,250	3.0	3.0	36	2002-12-28
City of New Westminster, inside and outside employees, New Westminster, B.C.	740	2.3	2.0	36	2002-12-31
City of Richmond, inside employees, Richmond, B.C.	870	2.3	2.0	36	2002-12-31
City of Surrey, inside employees, Surrey, B.C.	1,200	2.3	2.0	36	2002-12-31
City of Vancouver, inside employees, Vancouver, B.C.	3,840	2.3	2.0	36	2002-12-31
City of Vancouver, outside employees, Vancouver, B.C.	1,490	2.3	2.0	36	2002-12-31
Corporation of Delta, inside and outside employees, Delta, B.C.	630	2.3	2.0	36	2002-12-31
Government of Canada, scientific and other professionals, Canada-wide	6,320	2.3	2.0	36	2002-09-22
Government of Quebec, police officers, province-wide, Que.	3,800	2.2	1.5	48	2002-06-30
Government of the Northwest Territories, office and clerical employees, territory-wide, N.W.T.	2,520	3.2	4.0	24	2002-03-31
Montreal Urban Community, police officers, Montréal, Que.	4,160	2.5	0.0	40	2002-04-30
Niagara Regional Police Services Board, police officers, Niagara Region, Ont.	600	3.4	3.3	36	2002-12-31
Regional Municipality of York Police Services Board, police officers, Newmarket, Ont.	1,080	3.0	3.0	36	2002-12-31
Agreements with COLA (4 agreements)	5,100	1.9	1.4	57.2	
Agreements without COLA (59 agreements)	113,690	3.0	3.2	31.8	
All agreements (63 agreements)	118,790	2.9	3.1	32.9	

Source: Workplace Information Directorate

The Collective Bargaining Bulletin, a monthly publication, contains a listing of formal and up-to-date summaries of the major settlements shown above.

Copies of these settlement summaries, available in English and French, can now be obtained by visiting NEGOTECH at < <http://206.191.16.138/gol/> >. These summaries are also available from the Workplace Information Directorate at 1-800-567-6866 or Client Services at (819) 997-3117 or E-mail: wid-imt@hrdc-drhc.gc.ca or Internet: <http://labour-travail.hrdc-drhc.gc.ca>

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* Cost-of-Living Allowance (COLA) formulae are quantified using a combination of the latest relevant Consumer Price Index (CPI) data available and/or a projected CPI increase of 2.0 per cent. Consult the Technical Notes for information on the calculation of the yield from COLA increases, and definitions of the industry and sector divisions used in this publication.

Table A-1

**Effective Wage Adjustment in Base Rates, Number of Agreements and Employees Covered,
by Year and Quarter**

	1998	1999	2000	2000			
				1	2	3	4
All Industries							
Wage Adjustment (%)	1.7	2.2	2.5	2.4	2.5	2.3	2.9
Number of Agreements	401	375	357	151	83	60	63
Number of Employees (000's)	918.6	820.7	1,039.2	542.6	240.8	137.0	118.8
Private Sector							
Wage Adjustment (%)	1.8	2.6	2.3	2.8	2.3	1.9	2.2
Number of Agreements	180	156	90	28	27	20	15
Number of Employees (000's)	272.4	312.4	159.0	42.6	32.7	59.9	23.9
Public Sector							
Wage Adjustment (%)	1.6	1.9	2.5	2.3	2.5	2.6	3.1
Number of Agreements	221	219	267	123	56	40	48
Number of Employees (000's)	646.3	508.3	880.2	500.0	208.1	77.2	94.9
Federal Administration							
Wage Adjustment (%)	2.2	2.9	2.1	2.0	2.0	2.2	2.4
Number of Agreements	16	10	18	6	7	2	3
Number of Employees (000's)	124.2	53.2	154.8	19.9	119.5	2.1	13.3
Federal Crown Corporations							
Wage Adjustment (%)	2.2	2.2	2.2	2.2	3.3	-	-
Number of Agreements	7	6	3	2	1	-	-
Number of Employees (000's)	8.3	19.8	46.6	46.0	0.6	-	-
Provincial Administration							
Wage Adjustment (%)	1.7	1.6	2.6	2.6	2.6	2.3	2.9
Number of Agreements	30	21	37	16	4	11	6
Number of Employees (000's)	112.2	73.9	114.0	68.4	4.1	30.7	10.7
Local Administration							
Wage Adjustment (%)	1.5	2.3	2.5	2.6	2.5	2.6	2.6
Number of Agreements	32	34	32	4	10	6	12
Number of Employees (000's)	48.3	44.2	68.2	12.6	30.8	5.8	19.1
Education, Health and Welfare							
Wage Adjustment (%)	1.4	1.8	2.6	2.2	3.7	2.8	3.6
Number of Agreements	134	136	166	92	32	17	25
Number of Employees (000's)	351.3	291.9	464.8	339.9	51.2	25.3	48.5
Public Utilities							
Wage Adjustment (%)	1.4	2.1	3.4	3.9	2.8	3.2	2.6
Number of Agreements	2	12	11	3	2	4	2
Number of Employees (000's)	2.1	25.3	31.7	13.2	1.9	13.3	3.3

Table A-2

**Effective Wage Adjustment in Base Rates, by Effective Period,
Fourth Quarter 2000**

Sector/ Agreement Duration	Number of Agreements	Number of Employees	First 12 Months	Second 12 Months	Third 12 Months	Fourth 12 Months	Average Annual Adjustment	Average Agreement Duration
		(000's)	(%)	(%)	(%)	(%)	(%)	(Months)
All Industries								
17 Months or Less	12	17.7	3.4	-	-	-	3.4	12.0
18-29 Months	9	16.1	3.0	2.8	-	-	2.9	24.0
30-41 Months	33	65.5	2.6	2.8	2.6	2.3	2.7	35.5
42 Months or More	9	19.4	4.4	2.2	2.8	2.2	3.0	50.7
All Agreements	63	118.8	3.1	2.7	2.6	2.2	2.9	32.9
Private Sector								
17 Months or Less	-	-	-	-	-	-	-	-
18-29 Months	2	5.5	2.2	2.2	-	-	2.2	24.0
30-41 Months	8	11.0	2.3	1.5	1.6	-	1.8	36.0
42 Months or More	5	7.5	2.6	3.5	2.2	2.9	2.8	59.2
All Agreements	15	23.9	2.4	2.3	1.8	2.9	2.2	40.5
Public Sector								
17 Months or Less	12	17.7	3.4	-	-	-	3.4	12.0
18-29 Months	7	10.7	3.5	3.2	-	-	3.3	23.9
30-41 Months	25	54.5	2.7	3.0	2.8	2.3	2.9	35.4
42 Months or More	4	12.0	5.5	1.4	3.2	1.8	3.2	45.3
All Agreements	48	94.9	3.3	2.8	2.8	1.9	3.1	31.0
Federal Administration								
17 Months or Less	1	5.9	2.5	-	-	-	2.5	12.0
18-29 Months	1	1.1	2.0	2.5	-	-	2.3	24.0
30-41 Months	1	6.3	2.0	2.5	2.5	-	2.3	36.0
42 Months or More	-	-	-	-	-	-	-	-
All Agreements	3	13.3	2.2	2.5	2.5	-	2.4	24.4
Federal Crown Corporations								
17 Months or Less	-	-	-	-	-	-	-	-
18-29 Months	-	-	-	-	-	-	-	-
30-41 Months	-	-	-	-	-	-	-	-
42 Months or More	-	-	-	-	-	-	-	-
All Agreements	-	-	-	-	-	-	-	-
Provincial Administration								
17 Months or Less	-	-	-	-	-	-	-	-
18-29 Months	1	2.5	4.0	2.5	-	-	3.2	24.0
30-41 Months	3	2.7	2.3	2.3	2.3	-	2.3	36.0
42 Months or More	2	5.5	2.8	1.5	4.8	2.5	3.1	46.2
All Agreements	6	10.7	3.0	2.0	4.0	2.5	2.9	38.4
Local Administration								
17 Months or Less	-	-	-	-	-	-	-	-
18-29 Months	-	-	-	-	-	-	-	-
30-41 Months	12	19.1	1.9	2.4	3.1	2.3	2.6	36.9
42 Months or More	-	-	-	-	-	-	-	-
All Agreements	12	19.1	1.9	2.4	3.1	2.3	2.6	36.9
Education, Health and Welfare								
17 Months or Less	11	11.8	3.9	-	-	-	3.9	12.0
18-29 Months	5	7.0	3.6	3.5	-	-	3.5	23.9
30-41 Months	7	23.1	3.6	3.8	2.6	-	3.5	33.9
42 Months or More	2	6.5	7.8	1.2	1.9	1.2	3.3	44.6
All Agreements	25	48.5	4.2	3.3	2.5	1.2	3.6	28.5
Public Utilities								
17 Months or Less	-	-	-	-	-	-	-	-
18-29 Months	-	-	-	-	-	-	-	-
30-41 Months	2	3.3	2.9	2.2	2.7	-	2.6	36.0
42 Months or More	-	-	-	-	-	-	-	-
All Agreements	2	3.3	2.9	2.2	2.7	-	2.6	36.0

Table B-1

**Effective Wage Adjustment in Base Rates, by Major Industry Division,
with and without COLA, by Year and Quarter**

	1998	1999	2000	2000			
				1	2	3	4
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
All Industries							
Agreements without COLA	1.6	2.0	2.5	2.4	2.5	2.4	3.0
Agreements with COLA	2.7	3.3	2.2	2.2	2.4	1.8	1.9
All Agreements	1.7	2.2	2.5	2.4	2.5	2.3	2.9
Primary Industry							
Agreements without COLA	1.1	1.8	-	-	-	-	-
Agreements with COLA	-	2.4	1.5	-	1.3	-	2.3
All Agreements	1.1	2.2	1.5	-	1.3	-	2.3
Manufacturing							
Agreements without COLA	0.9	1.9	2.2	2.6	2.5	2.0	1.4
Agreements with COLA	2.9	4.0	2.9	2.4	3.2	3.4	-
All Agreements	1.5	3.3	2.4	2.5	2.9	2.2	1.4
Construction							
Agreements without COLA	2.4	2.0	3.8	3.9	-	2.7	-
Agreements with COLA	2.8	-	2.5	-	-	2.5	-
All Agreements	2.4	2.0	3.7	3.9	-	2.6	-
Transportation, Communication and Other Utilities							
Agreements without COLA	1.9	2.5	2.9	3.2	2.4	2.4	2.8
Agreements with COLA	1.9	2.2	2.1	2.2	1.6	1.2	2.3
All Agreements	1.9	2.4	2.5	2.6	2.3	2.1	2.8
Trade; Finance, Insurance and Real Estate							
Agreements without COLA	1.5	1.8	1.8	2.0	1.6	1.7	2.2
Agreements with COLA	2.6	0.6	1.1	-	2.7	1.0	1.0
All Agreements	1.6	1.5	1.6	2.0	1.8	1.5	1.6
Community, Business and Personal Services							
Agreements without COLA	1.4	1.8	2.6	2.2	3.6	2.9	3.6
Agreements with COLA	0.9	-	3.2	-	-	2.8	4.7
All Agreements	1.4	1.8	2.6	2.2	3.6	2.9	3.6
Public Administration							
Agreements without COLA	1.8	2.2	2.3	2.5	2.1	2.6	2.5
Agreements with COLA	-	2.3	2.1	-	2.1	-	-
All Agreements	1.8	2.2	2.3	2.5	2.1	2.6	2.5

Table B-2

**Number of Agreements and Employees Covered, by Major Industry Division,
with and without COLA, by Year and Quarter**

	1998		1999		2000	
	Number of Agreements	Number of Employees	Number of Agreements	Number of Employees	Number of Agreements	Number of Employees
	(000's)		(000's)		(000's)	
All Industries						
Agreements without COLA	364	885.0	329	713.1	326	940.8
Agreements with COLA	37	33.6	46	107.6	31	98.5
All Agreements	401	918.6	375	820.7	357	1,039.2
Primary Industry						
Agreements without COLA	2	1.8	4	2.9	-	-
Agreements with COLA	-	-	4	3.8	3	4.9
All Agreements	2	1.8	8	6.7	3	4.9
Manufacturing						
Agreements without COLA	47	60.7	44	31.7	32	45.3
Agreements with COLA	26	24.4	30	72.3	16	21.2
All Agreements	73	85.1	74	103.9	48	66.4
Construction						
Agreements without COLA	45	93.8	21	97.8	6	8.1
Agreements with COLA	3	2.2	-	-	1	0.5
All Agreements	48	96.0	21	97.8	7	8.6
Transportation, Communication and Other Utilities						
Agreements without COLA	40	79.9	45	110.6	30	67.6
Agreements with COLA	3	4.0	10	25.6	4	50.8
All Agreements	43	83.9	55	136.2	34	118.4
Trade; Finance, Insurance and Real Estate						
Agreements without COLA	17	25.5	12	13.2	13	42.5
Agreements with COLA	2	1.3	1	5.2	3	11.7
All Agreements	19	26.8	13	18.4	16	54.1
Community, Business and Personal Services						
Agreements without COLA	151	375.6	156	313.2	177	485.0
Agreements with COLA	3	1.7	-	-	3	4.2
All Agreements	154	377.2	156	313.2	180	489.2
Public Administration						
Agreements without COLA	62	247.8	47	143.8	68	292.3
Agreements with COLA	-	-	1	0.7	1	5.3
All Agreements	62	247.8	48	144.4	69	297.6

Table B-2 (continued)

**Number of Agreements and Employees Covered, by Major Industry Division,
with and without COLA, by Year and Quarter**

	2000							
	1		2		3		4	
	Number of Agreements	Number of Employees	Number of Agreements	Number of Employees	Number of Agreements	Number of Employees	Number of Agreements	Number of Employees
	(000's)		(000's)		(000's)		(000's)	
All Industries								
Agreements without COLA	144	488.7	71	220.1	52	118.3	59	113.7
Agreements with COLA	7	53.9	12	20.7	8	18.8	4	5.1
All Agreements	151	542.6	83	240.8	60	137.0	63	118.8
Primary Industry								
Agreements without COLA	-	-	-	-	-	-	-	-
Agreements with COLA	-	-	2	4.2	-	-	1	0.7
All Agreements	-	-	2	4.2	-	-	1	0.7
Manufacturing								
Agreements without COLA	11	10.9	10	6.8	5	20.7	6	6.9
Agreements with COLA	6	8.9	7	9.3	3	3.0	-	-
All Agreements	17	19.7	17	16.1	8	23.7	6	6.9
Construction								
Agreements without COLA	5	7.3	-	-	1	0.8	-	-
Agreements with COLA	-	-	-	-	1	0.5	-	-
All Agreements	5	7.3	-	-	2	1.3	-	-
Transportation, Communication and Other Utilities								
Agreements without COLA	11	32.3	5	8.5	6	10.3	8	16.6
Agreements with COLA	1	45.0	1	0.9	1	4.4	1	0.5
All Agreements	12	77.3	6	9.4	7	14.7	9	17.1
Trade; Finance, Insurance and Real Estate								
Agreements without COLA	2	9.2	3	4.7	4	25.2	4	3.4
Agreements with COLA	-	-	1	1.1	1	7.6	1	3.0
All Agreements	2	9.2	4	5.8	5	32.8	5	6.4
Community, Business and Personal Services								
Agreements without COLA	94	341.9	36	54.6	21	37.8	26	50.7
Agreements with COLA	-	-	-	-	2	3.3	1	0.9
All Agreements	94	341.9	36	54.6	23	41.1	27	51.6
Public Administration								
Agreements without COLA	21	87.2	17	145.5	15	23.4	15	36.2
Agreements with COLA	-	-	1	5.3	-	-	-	-
All Agreements	21	87.2	18	150.7	15	23.4	15	36.2

Table B-3

**Effective Wage Adjustment in Base Rates, by Major Industry Division,
by Duration of Agreement, with and without COLA, Fourth Quarter 2000**

	17 Months or Less			18-29 Months		
	Number of Agreements	Number of Employees	Average Annual Adjustment	Number of Agreements	Number of Employees	Average Annual Adjustment
		(000's)	(%)		(000's)	(%)
All Industries						
Agreements without COLA	12	17.7	3.4	9	16.1	2.9
Agreements with COLA	-	-	-	-	-	-
All Agreements	12	17.7	3.4	9	16.1	2.9
Primary Industry						
Agreements without COLA	-	-	-	-	-	-
Agreements with COLA	-	-	-	-	-	-
All Agreements	-	-	-	-	-	-
Manufacturing						
Agreements without COLA	-	-	-	1	0.8	0.0
Agreements with COLA	-	-	-	-	-	-
All Agreements	-	-	-	1	0.8	0.0
Construction						
Agreements without COLA	-	-	-	-	-	-
Agreements with COLA	-	-	-	-	-	-
All Agreements	-	-	-	-	-	-
Transportation, Communication and Other Utilities						
Agreements without COLA	-	-	-	2	5.8	2.5
Agreements with COLA	-	-	-	-	-	-
All Agreements	-	-	-	2	5.8	2.5
Trade; Finance, Insurance and Real Estate						
Agreements without COLA	-	-	-	-	-	-
Agreements with COLA	-	-	-	-	-	-
All Agreements	-	-	-	-	-	-
Community, Business and Personal Services						
Agreements without COLA	11	11.8	3.9	5	7.0	3.5
Agreements with COLA	-	-	-	-	-	-
All Agreements	11	11.8	3.9	5	7.0	3.5
Public Administration						
Agreements without COLA	1	5.9	2.5	1	2.5	3.2
Agreements with COLA	-	-	-	-	-	-
All Agreements	1	5.9	2.5	1	2.5	3.2

Table B-3 (continued)

**Effective Wage Adjustment in Base Rates, by Major Industry Division,
by Duration of Agreement, with and without COLA, Fourth Quarter 2000**

	30-41 Months			42 Months or More		
	Number of Agreements	Number of Employees	Average Annual Adjustment	Number of Agreements	Number of Employees	Average Annual Adjustment
		(000's)	(%)		(000's)	(%)
All Industries						
Agreements without COLA	31	63.9	2.7	7	15.9	3.5
Agreements with COLA	2	1.6	3.6	2	3.5	1.2
All Agreements	33	65.5	2.7	9	19.4	3.0
Primary Industry						
Agreements without COLA	-	-	-	-	-	-
Agreements with COLA	1	0.7	2.3	-	-	-
All Agreements	1	0.7	2.3	-	-	-
Manufacturing						
Agreements without COLA	5	6.1	1.6	-	-	-
Agreements with COLA	-	-	-	-	-	-
All Agreements	5	6.1	1.6	-	-	-
Construction						
Agreements without COLA	-	-	-	-	-	-
Agreements with COLA	-	-	-	-	-	-
All Agreements	-	-	-	-	-	-
Transportation, Communication and Other Utilities						
Agreements without COLA	4	8.3	2.4	2	2.5	4.9
Agreements with COLA	-	-	-	1	0.5	2.3
All Agreements	4	8.3	2.4	3	3.0	4.4
Trade; Finance, Insurance and Real Estate						
Agreements without COLA	4	3.4	2.2	-	-	-
Agreements with COLA	-	-	-	1	3.0	1.0
All Agreements	4	3.4	2.2	1	3.0	1.0
Community, Business and Personal Services						
Agreements without COLA	6	22.2	3.5	4	9.6	3.6
Agreements with COLA	1	0.9	4.7	-	-	-
All Agreements	7	23.1	3.5	4	9.6	3.6
Public Administration						
Agreements without COLA	12	24.0	2.5	1	3.8	2.2
Agreements with COLA	-	-	-	-	-	-
All Agreements	12	24.0	2.5	1	3.8	2.2

Table B-4

**Effective Wage Adjustment in Base Rates, by Major Industry Division,
with and without COLA, Fourth Quarter 2000**

	Number of Agreements	Number of Employees	Average Annual Adjustment	First 12 Months	Average Agreement Duration
		(000's)	(%)	(%)	(Months)
All Industries					
Agreements without COLA	59	113.7	3.0	3.2	31.8
Agreements with COLA	4	5.1	1.9	1.4	57.2
All Agreements	63	118.8	2.9	3.1	32.9
Primary Industry					
Agreements without COLA	-	-	-	-	-
Agreements with COLA	1	0.7	2.3	3.5	36.0
All Agreements	1	0.7	2.3	3.5	36.0
Manufacturing					
Agreements without COLA	6	6.9	1.4	2.1	34.7
Agreements with COLA	-	-	-	-	-
All Agreements	6	6.9	1.4	2.1	34.7
Construction					
Agreements without COLA	-	-	-	-	-
Agreements with COLA	-	-	-	-	-
All Agreements	-	-	-	-	-
Transportation, Communication and Other Utilities					
Agreements without COLA	8	16.6	2.8	3.0	33.6
Agreements with COLA	1	0.5	2.3	1.8	48.0
All Agreements	9	17.1	2.8	2.9	34.0
Trade; Finance, Insurance and Real Estate					
Agreements without COLA	4	3.4	2.2	2.1	36.0
Agreements with COLA	1	3.0	1.0	0.0	70.0
All Agreements	5	6.4	1.6	1.1	52.1
Community, Business and Personal Services					
Agreements without COLA	26	50.7	3.6	4.3	29.8
Agreements with COLA	1	0.9	4.7	4.1	36.0
All Agreements	27	51.6	3.6	4.3	29.9
Public Administration					
Agreements without COLA	15	36.2	2.5	2.1	33.0
Agreements with COLA	-	-	-	-	-
All Agreements	15	36.2	2.5	2.1	33.0

Table C-1

**Effective Wage Adjustment in Base Rates, by Region/Jurisdiction,
by Year and Quarter**

	1998	1999	2000	2000			
				1	2	3	4
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
All Sectors							
CANADA	1.7	2.2	2.5	2.4	2.5	2.3	2.9
<i>Atlantic</i>	2.1	2.0	2.6	2.1	2.5	2.5	3.9
Newfoundland	1.3	1.6	3.6	2.4	2.3	-	6.3
Prince Edward Island	2.1	2.7	2.4	-	2.4	-	-
Nova Scotia	2.9	2.1	2.2	2.2	-	-	-
New Brunswick	1.5	2.4	2.8	1.5	2.5	2.5	3.3
Quebec	1.0	1.6	2.3	2.3	2.7	2.8	2.7
Ontario	1.6	2.1	2.4	2.5	2.3	2.2	2.9
<i>Prairies</i>	2.4	3.0	3.8	3.6	5.1	2.6	3.5
Manitoba	1.4	2.5	2.5	2.5	2.2	2.4	3.5
Saskatchewan	1.8	2.1	3.5	2.0	-	-	3.6
Alberta	3.0	4.0	4.5	3.8	5.9	3.0	3.5
British Columbia	0.8	0.8	1.7	0.6	0.7	1.9	2.3
Multiprovince	1.5	2.2	2.6	2.6	1.8	2.7	3.2
Federal	2.1	2.8	2.2	2.2	2.0	3.0	2.4
Public Sector							
CANADA	1.6	1.9	2.5	2.3	2.5	2.6	3.1
<i>Atlantic</i>	2.1	1.8	3.0	2.2	2.7	-	4.4
Newfoundland	1.3	1.3	5.3	-	2.3	-	6.3
Prince Edward Island	2.1	2.9	2.4	-	2.4	-	-
Nova Scotia	3.0	2.3	2.2	2.2	-	-	-
New Brunswick	1.5	3.1	3.5	1.5	3.0	-	3.8
Quebec	1.2	1.7	2.3	2.3	2.3	2.2	2.9
Ontario	1.3	1.5	2.5	2.5	2.2	2.9	3.1
<i>Prairies</i>	2.2	2.9	3.8	3.6	5.1	2.6	3.5
Manitoba	1.2	2.5	2.5	2.0	2.2	2.4	3.5
Saskatchewan	1.8	2.3	3.5	2.0	-	-	3.6
Alberta	2.6	3.7	4.4	3.8	5.9	3.0	3.5
British Columbia	0.7	0.6	1.4	0.6	0.7	1.6	2.3
Multiprovince	1.0	1.9	2.9	2.6	-	-	3.2
Federal	2.2	2.7	2.2	2.1	2.1	3.4	2.4
Private Sector							
CANADA	1.8	2.6	2.3	2.8	2.3	1.9	2.2
<i>Atlantic</i>	1.8	2.2	1.8	2.0	1.7	2.5	0.0
Newfoundland	1.9	2.3	2.4	2.4	-	-	-
Prince Edward Island	-	2.3	-	-	-	-	-
Nova Scotia	1.8	1.9	1.7	1.7	-	-	-
New Brunswick	1.6	2.3	1.4	1.5	1.7	2.5	0.0
Quebec	1.0	1.6	2.9	3.0	3.3	3.8	2.2
Ontario	2.0	3.3	2.2	2.7	2.4	1.4	2.3
<i>Prairies</i>	3.2	3.8	3.8	3.8	-	-	-
Manitoba	1.6	2.9	3.0	3.0	-	-	-
Saskatchewan	1.1	0.8	-	-	-	-	-
Alberta	4.5	5.1	4.8	4.8	-	-	-
British Columbia	1.5	1.3	2.0	-	-	2.0	2.0
Multiprovince	1.7	2.8	2.1	-	1.8	2.7	-
Federal	1.7	2.8	2.2	4.4	1.6	2.6	2.3

Table C-2

**Number of Agreements and Employees Covered, by Region/Jurisdiction,
by Year and Quarter**

	1998		1999		2000	
	Number of Agreements	Number of Employees	Number of Agreements	Number of Employees	Number of Agreements	Number of Employees
	(000's)		(000's)		(000's)	
All Sectors						
CANADA	401	918.6	375	820.7	357	1,039.2
<i>Atlantic</i>	42	93.4	22	20.0	18	28.4
Newfoundland	7	25.4	8	9.7	4	5.0
Prince Edward Island	3	3.9	3	2.2	1	0.6
Nova Scotia	18	39.0	6	3.9	4	11.7
New Brunswick	14	25.0	5	4.3	9	11.1
Quebec	53	82.2	39	113.7	94	346.6
Ontario	141	268.1	172	314.6	113	248.6
<i>Prairies</i>	83	134.0	70	146.0	59	108.4
Manitoba	20	22.3	18	38.7	19	29.3
Saskatchewan	12	32.3	15	45.0	4	14.3
Alberta	51	79.4	37	62.4	36	64.8
British Columbia	35	151.8	25	71.9	32	63.9
Multiprovince	3	9.3	5	6.8	6	8.3
Federal	44	179.8	42	147.7	35	235.0
Public Sector						
CANADA	221	646.3	219	508.3	267	880.2
<i>Atlantic</i>	29	81.6	10	10.7	9	20.6
Newfoundland	6	22.9	4	6.6	3	2.0
Prince Edward Island	3	3.9	2	1.5	1	0.6
Nova Scotia	11	33.6	3	2.1	2	10.6
New Brunswick	9	21.1	1	0.6	3	7.3
Quebec	14	23.6	12	25.8	76	323.7
Ontario	78	167.9	114	211.0	75	175.1
<i>Prairies</i>	62	106.5	50	124.0	57	106.4
Manitoba	11	11.7	13	34.2	18	28.2
Saskatchewan	10	30.5	11	40.6	4	14.3
Alberta	41	64.3	26	49.2	35	63.9
British Columbia	15	133.7	13	57.6	24	38.4
Multiprovince	1	2.3	2	4.6	3	5.5
Federal	22	130.7	18	74.7	23	210.5
Private Sector						
CANADA	180	272.4	156	312.4	90	159.0
<i>Atlantic</i>	13	11.8	12	9.3	9	7.8
Newfoundland	1	2.5	4	3.1	1	3.0
Prince Edward Island	-	-	1	0.7	-	-
Nova Scotia	7	5.4	3	1.8	2	1.1
New Brunswick	5	3.9	4	3.7	6	3.7
Quebec	39	58.6	27	87.9	18	22.8
Ontario	63	100.2	58	103.6	38	73.5
<i>Prairies</i>	21	27.5	20	22.1	2	2.1
Manitoba	9	10.5	5	4.6	1	1.1
Saskatchewan	2	1.8	4	4.4	-	-
Alberta	10	15.1	11	13.1	1	1.0
British Columbia	20	18.2	12	14.3	8	25.5
Multiprovince	2	7.0	3	2.2	3	2.8
Federal	22	49.1	24	73.0	12	24.5

Table C-2 (continued)

**Number of Agreements and Employees Covered, by Region/Jurisdiction,
by Year and Quarter**

	2000							
	1		2		3		4	
	Number of Agreements	Number of Employees	Number of Agreements	Number of Employees	Number of Agreements	Number of Employees	Number of Agreements	Number of Employees
	(000's)		(000's)		(000's)		(000's)	
All Sectors								
CANADA	151	542.6	63	240.8	60	137.0	63	118.8
<i>Atlantic</i>	9	17.1	4	3.3	1	0.5	4	7.6
Newfoundland	1	3.0	1	0.5	-	-	2	1.5
Prince Edward Island	-	-	1	0.6	-	-	-	-
Nova Scotia	4	11.7	-	-	-	-	-	-
New Brunswick	4	2.4	2	2.2	1	0.5	2	6.1
Quebec	66	306.2	12	16.4	6	5.6	10	18.4
Ontario	40	114.6	36	55.1	20	54.0	17	24.9
<i>Prairies</i>	17	24.7	13	31.5	15	22.6	14	29.6
Manitoba	3	2.6	2	6.3	11	15.7	3	4.7
Saskatchewan	1	0.6	-	-	-	-	3	13.8
Alberta	13	21.5	11	25.2	4	7.0	8	11.2
British Columbia	8	10.3	4	5.2	11	36.3	9	12.1
Multiprovince	2	3.0	2	2.0	1	0.8	1	2.5
Federal	9	66.7	12	127.3	6	17.2	8	23.8
Public Sector								
CANADA	123	500.0	56	208.1	40	77.2	48	94.9
<i>Atlantic</i>	3	11.2	3	2.5	-	-	3	6.8
Newfoundland	-	-	1	0.5	-	-	2	1.5
Prince Edward Island	-	-	1	0.6	-	-	-	-
Nova Scotia	2	10.6	-	-	-	-	-	-
New Brunswick	1	0.6	1	1.4	-	-	1	5.3
Quebec	61	297.7	6	10.3	4	3.6	5	12.2
Ontario	26	89.3	22	38.5	14	28.6	13	18.8
<i>Prairies</i>	15	22.6	13	31.5	15	22.6	14	29.6
Manitoba	2	1.5	2	6.3	11	15.7	3	4.7
Saskatchewan	1	0.6	-	-	-	-	3	13.8
Alberta	12	20.5	11	25.2	4	7.0	8	11.2
British Columbia	8	10.3	4	5.2	4	12.3	8	10.6
Multiprovince	2	3.0	-	-	-	-	1	2.5
Federal	8	65.9	8	120.1	3	10.1	4	14.3
Private Sector								
CANADA	28	42.6	27	32.7	20	59.9	15	23.9
<i>Atlantic</i>	6	5.8	1	0.8	1	0.5	1	0.8
Newfoundland	1	3.0	-	-	-	-	-	-
Prince Edward Island	-	-	-	-	-	-	-	-
Nova Scotia	2	1.1	-	-	-	-	-	-
New Brunswick	3	1.7	1	0.8	1	0.5	1	0.8
Quebec	5	8.5	6	6.1	2	2.0	5	6.2
Ontario	14	25.3	14	16.7	6	25.5	4	6.1
<i>Prairies</i>	2	2.1	-	-	-	-	-	-
Manitoba	1	1.1	-	-	-	-	-	-
Saskatchewan	-	-	-	-	-	-	-	-
Alberta	1	1.0	-	-	-	-	-	-
British Columbia	-	-	-	-	7	24.0	1	1.5
Multiprovince	-	-	2	2.0	1	0.8	-	-
Federal	1	0.8	4	7.2	3	7.1	4	9.4

Table D

Major Wage Settlements, by Public and Private Sectors, by Year and Quarter

	Public Sector				Private Sector				All Sectors			
	Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.
	(Months)	(000's)	(%)		(Months)	(000's)	(%)		(Months)	(000's)	(%)	
Year												
1980	325	26.0	919.4	10.9	233	27.5	298.8	11.7	558	26.3	1,218.2	11.1
1981	290	18.9	577.6	13.1	210	27.3	323.4	12.6	500	21.9	901.0	13.0
1982	319	14.6	865.1	10.4	189	25.2	282.2	9.5	508	17.2	1,147.3	10.2
1983	458	19.6	1,241.6	4.6	200	25.0	302.8	5.5	658	20.6	1,544.3	4.8
1984	277	17.0	637.4	3.9	282	26.1	518.8	3.2	559	21.1	1,156.2	3.6
1985	316	21.7	566.8	3.8	200	30.1	271.8	3.3	516	24.5	838.6	3.7
1986	322	25.4	711.2	3.6	231	26.0	410.2	3.0	553	25.6	1,121.5	3.4
1987	270	29.4	824.3	4.1	208	31.4	287.0	3.8	478	29.9	1,111.3	4.0
1988	301	24.0	698.6	4.0	241	27.2	484.1	5.0	542	25.3	1,182.7	4.4
1989	295	30.0	737.6	5.2	158	28.5	264.2	5.2	453	29.6	1,001.8	5.2
1990	283	27.4	677.8	5.6	224	29.7	468.5	5.7	507	28.4	1,146.4	5.6
1991	365	16.0	1,121.7	3.4	182	29.2	224.0	4.4	547	18.2	1,345.6	3.6
1992	302	21.7	977.3	2.0	194	32.2	329.5	2.5	496	24.3	1,306.8	2.1
1993	347	23.4	1,012.0	0.6	171	25.2	400.5	0.8	518	23.9	1,412.5	0.7
1994	299	26.5	719.8	0.0	135	34.5	222.8	1.2	434	28.4	942.6	0.3
1995	216	31.5	630.9	0.6	186	35.8	277.9	1.4	402	32.8	908.8	0.9
1996	213	31.6	565.9	0.5	165	34.8	244.5	1.8	378	32.6	810.5	0.9
1997	221	30.3	371.0	1.1	158	38.1	322.8	1.8	379	34.0	693.9	1.5
1998	221	31.1	646.3	1.6	180	34.3	272.4	1.8	401	32.0	918.6	1.7
1999	219	35.1	508.3	1.9	156	38.5	312.4	2.6	375	36.4	820.7	2.2
2000	267	34.0	880.2	2.5	90	42.9	159.0	2.3	357	35.3	1,039.2	2.5
Quarter												
1997 I	53	29.7	89.1	1.0	30	35.8	40.4	2.2	83	31.6	129.5	1.3
II	72	26.1	98.8	0.8	60	34.5	147.2	1.9	132	31.1	246.1	1.5
III	34	31.0	44.6	0.8	38	38.7	88.8	1.6	72	36.1	133.3	1.3
IV	62	33.6	138.6	1.6	30	50.6	46.4	1.8	92	37.8	185.0	1.7
1998 I	45	36.4	97.0	2.1	23	33.6	38.3	2.3	68	35.6	135.3	2.1
II	56	32.0	157.5	1.7	71	27.9	111.3	1.6	127	30.3	268.7	1.7
III	52	33.2	186.5	1.2	53	40.9	85.1	1.8	105	35.6	271.6	1.4
IV	68	25.9	205.3	1.7	33	38.9	37.7	2.0	101	27.9	243.0	1.7
1999 I	78	32.5	192.2	1.3	30	38.2	55.5	2.2	108	33.8	247.7	1.5
II	71	37.5	205.4	2.4	54	41.0	63.5	2.4	125	38.3	268.9	2.4
III	34	37.1	51.0	2.3	41	37.5	126.5	2.4	75	37.4	177.5	2.3
IV	36	33.3	59.8	2.1	31	38.3	66.9	3.6	67	36.0	126.7	2.9
2000 I	123	39.9	500.0	2.3	28	33.0	42.6	2.8	151	39.4	542.6	2.4
II	56	21.2	208.1	2.5	27	40.7	32.7	2.3	83	23.8	240.8	2.5
III	40	33.6	77.2	2.6	20	52.0	59.9	1.9	60	41.6	137.0	2.3
IV	48	31.0	94.9	3.1	15	40.5	23.9	2.2	63	32.9	118.8	2.9

Agmts. - Number of Agreements
 Avg. Adj. - Average Annual Adjustment
 Dur. - Average Agreement Duration
 Empls. - Number of Employees

Table E
Selected Economic Indicators,
by Year and Quarter

	1998	1999	2000	2000			
				1	2	3	4
Wage Settlements (%)	1.7	2.2	2.5	2.4	2.5	2.3	2.9
Public Sector (%)	1.6	1.9	2.5	2.3	2.5	2.6	3.1
Private Sector (%)	1.8	2.6	2.3	2.8	2.3	1.9	2.2
Agreements in Force (%)	1.7	1.9	2.2	2.0	2.2	2.3	2.2
Public Sector (%)	1.4	1.7	2.0	1.9	2.1	2.1	2.1
Private Sector (%)	2.3	2.2	2.4	2.2	2.5	2.5	2.4
Consumer Price Index Per Cent Change ¹	0.9	1.7	2.7	2.7	2.4	2.7	3.1
GDP ² at Factor Cost ³ Per Cent Change ¹	3.1	4.3	4.5	5.2	4.9	4.1	3.8
Labour Productivity Growth (%)	0.7	1.5	1.2	1.9	1.3	1.3	0.4
Unit Labour Cost (%)	1.4	0.5	2.4	1.7	2.5	2.4	2.7
Unemployment Rate ³ (%)	8.3	7.6	6.8	6.8	6.7	6.9	6.9
Employment (000's) ³	14,140	14,531	14,910	14,826	14,881	14,918	15,028
Per Cent Change ¹	2.7	2.8	2.6	3.1	2.8	2.3	2.3
Average Weekly Earnings ³	\$ 606.31	\$ 610.40	\$ 626.23	\$ 621.57	\$ 624.74	\$ 628.76	\$ 628.76
Per Cent Change ¹	1.3	0.7	2.6	2.6	2.6	2.8	2.2
Average Hourly Earnings	\$ 15.12	\$ 15.33	\$ 15.67	\$ 15.79	\$ 15.73	\$ 15.67	\$ 15.59
Per Cent Change ¹	1.7	1.4	2.2	2.6	2.9	3.1	0.8

¹ Per cent change from the same period of the previous year

² GDP – Gross domestic product at factor cost (1992) prices

³ Seasonally adjusted data

TECHNICAL NOTES

The information in this report is produced from collective agreement settlements in Canada which cover 500 or more employees in all industries. A few settlements are excluded where the basis of payment is on a piece/mileage rate basis.

The construction industry is excluded prior to 1983.

The Base Rate

The base rate is the lowest paid classification used for qualified workers in the bargaining unit. In most instances, the base rate is the rate of pay for an unskilled or semi-skilled classification of workers. However, this is not the case in contracts covering only skilled workers and professional employees.

As only the base rate in a contract is used, the resulting data on percentage change do not necessarily reflect the average wage change for all workers in the bargaining unit. For example, where an across-the-board increase is negotiated for all classifications in cents per hour (or other money terms), measurement on the base rate produces higher results than measurement on any higher rate, including the average rate. Where varying percentage or money increases are negotiated for different classifications, measurement on the base rate may produce results that are higher or lower than measurement on the average rate. Where an across-the-board increase is negotiated for all classifications in percentage terms, measurement on the base rate produces results identical to measurement on any other rate, including the average rate. It should be noted that information on the average rate for all employees in a bargaining unit is not available.

Effective Wage Increase

The effective wage increase is the increase in rates of pay including estimated cost-of-living allowance (COLA) payments. Estimates of the yield of COLA clauses are obtained by quantifying the characteristics of these clauses in each agreement and applying a combination of actual Consumer Price Index (CPI) increases available to date plus a specified projected inflation rate for the remainder of the contract duration. In

succeeding quarters, these estimates are revised using actual CPI values as they become available.

In the current report, an inflation projection of 2.0 per cent has been used when the actual rate is unknown. This figure is based on a rounded average of inflation forecasts and is intended for illustrative purposes only and does not constitute an official forecast by Human Resources Development Canada. The use of different inflation rate scenarios could result in varying settlement increases. The inflation projection used will be revised periodically to reflect prevailing economic conditions.

By including reasonable estimates of future payments under COLA clauses, the effective wage increase concept facilitates an accurate comparison of agreements with and without COLA and permits the aggregation of all agreements to yield an improved measure of wage settlements.

Public and Private Sectors

The principal unit of observation is the collective bargaining unit; however, the designation for inclusion in the public sector is by reference to characteristics of the employer with whom a bargaining unit negotiates. Reference to the employer characteristics makes the directives consistent with Statistics Canada's use of "institutional units" or "entities".

While the criteria relate to the classification of the public sector only, *the private sector is defined by exclusion*.

Public sector bargaining units negotiate wages or other working conditions with an employer who is part of, or an agent of, a government or a government business enterprise. The distinction between the two is whether the activity engaged in is "non-commercial" (Government) or "commercial" (Government Business Enterprise).

Government (Non-Commercial)

The government component comprises all non-commercial entities controlled by governments and mainly financed out of general taxation or other public

funds. These entities provide goods and/or services free or at non-market prices (not having a view to profit).

Sub-sectors of the government component are identified below:

(1) Federal Government

Collective bargaining in the federal government component is conducted under the *Public Service Staff Relations Act* (Parts 1 and 2), and the *Parliamentary Employment and Staff Relations Act*.

(2) Provincial and territorial governments

- (a) provincial and territorial government administration;
- (b) health, education and social services agencies or institutions:
 - (i) public hospitals,
 - (ii) provincial residential care facilities,
 - (iii) universities,
 - (iv) colleges, vocational and trade institutions,
 - (v) social services business enterprise,
 - (vi) provincial elementary and secondary schools.

(3) Local Government Administration

- (a) local government organizations such as: municipalities, boards, commissions;
- (b) school boards;
- (c) social services: establishments at the local level primarily engaged in providing basic domiciliary care only, such as homes for the aged, blind or senile, boarding houses for the aged, day nurseries, shelters, etc.

Government Business Enterprise (Commercial)

The commercial component of the public sector is divided into three broad sub-groupings, based on degree

of governmental control, as follows:

(1) Direct Control

A commercial enterprise is directly controlled by a government if one of the following conditions is met:

- (a) a government holds more than 50 per cent of its voting equity, directly;
- (b) a government has irrevocable options or the right to acquire shares, or convertible debt or equity, exercisable at the discretion of that government.

(2) Effective Control

A commercial enterprise is effectively controlled by a government if one of the following conditions is met:

- (a) the government holds a significant voting ownership in a public enterprise, where "significant" is understood as:
 - (i) the holding is the largest block of voting equity; and
 - (ii) the holding exceeds 33.3 per cent of the voting equity; and
 - (iii) the block is larger than the combined percentage of the next two largest blocks;
- (b) the commercial enterprise declares that it is effectively controlled by a government;
- (c) there exists a method or variety of methods (e.g., significant voting ownership of the enterprise, technological agreements, supply controls or contracts, management contracts, interlocking directorships, etc.)

(3) Indirect Control

A business enterprise is indirectly controlled by a government if that government directly or effectively controls a government business enterprise, which in turn directly or effectively controls that enterprise.

SECTION 2

EXPIRIES AND REOPENERS OF MAJOR COLLECTIVE AGREEMENTS IN JANUARY, FEBRUARY AND MARCH 2001

Note: Reopeners listed may be negotiated for wage provisions¹ and/or other provisions²

The full 2001 Calendar of Major Collective Agreement Expiries and Reopeners will soon be available on the Workplace Information Directorate Web site at: <http://labour-travail.hrdc-drhc.gc.ca/doc/wid-dimt/eng/expreo.cfm>

Company and Location	Union and Occupation	Number of Employees	Industry
-------------------------	-------------------------	------------------------	----------

JANUARY 2001

QUEBEC

¹ Alcan Smelters and
Chemicals Ltd.,
Shawinigan

Fédération de la métallurgie
(CNTU) (hourly ...)

¹ Alca
Che
Jon
régis
Be
Shij

Frc
Tro

JM
AsL

¹ Uni
Shc

ON

Bayer inc.,
Samia

Communications, Energy and
Paperworkers Union of Canada
(CLC) (plant and maintenance
employees)

900 Manufacturing

ATTENTION!

ATTENTION!

A quarterly listing of Expiries and Reopeners
will no longer be published.

The full 2001 Calendar of Major Collective Agreement Expiries
and a listing of Reopeners are available
on the Workplace Information Directorate Web site at:

<http://labour-travail.hrdc-drhc.gc.ca/doc/wid/dimt/eng/expreo.cfm>

These listings are also available from the
Workplace Information Directorate at:

1-800-567-6866 or (819) 997-3117

SELECTED PROVISIONS IN MAJOR COLLECTIVE AGREEMENTS*

Balancing Work and Family Life: An International Comparison

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Labour Program, Human Resources Development Canada*

Introduction

In recent years, work and family balance has gained recognition on an international level, and in the 1990s, we began to see the introduction of significant measures to deal with this challenge. However, the development and integration of concrete measures very much depend on profound changes in a country's prevailing culture. In fact, it is at this level that we have seen the least change, since the new measures are perceived as a threat to deeply rooted social values. Indeed, in some countries, it is even difficult for people to acknowledge that balancing work and family life has become a major contemporary issue.

In this final article of a series of four, we will first briefly summarize the three previous articles that covered the various provisions dealing with the work-family issue as found in major collective agreements in Canada. We will then turn to the international situation, especially in the European Union with a particular focus on Spain, Sweden and the United Kingdom.

In the three previous articles,¹ we described the provisions in the major collective agreements in Canada that favoured work-family balance. In the first article, we showed, in statistical terms, the changes that have occurred in a number of specific areas; job sharing, flexible hours and overtime, the right to refuse, and compensatory leave. The second article provided an overview of selected provisions relating to maternity, adoption and extended parental leaves that were in effect in January 1998. Lastly, the third article compared the day-care provisions that were in force in June 1988 and January 1998 respectively.

To summarize, in terms of provisions in January 1998 dealing with the organization of working time, we found that most workers did not have access to this type of provision. In terms of maternity, adoption and extended parental leaves, we noted that, most collective agreements reflected prevailing employment standards legislation in Canada. However, it was interesting to note a significant proportion of female workers who were receiving employer-supplemented insurance benefits. In fact, it was found that female workers on maternity leave received 60 to 100 per cent of their weekly pay for between 2 and 39 weeks. The largest proportion (14.4 per cent) of female workers taking maternity leave in 1998 were entitled to 20 weeks of maternity leave and received 93 per cent of their normal weekly pay with an employer supplemented employment insurance benefit. On the other hand, a total of 47.7 per cent of female workers were not covered by this type of benefit during maternity leave. Finally, in January 1998, very few collective agreements contained provisions dealing with day-care services.

So far as minimum standards legislation in Canada is concerned, pregnant workers are currently entitled to 18 weeks of unpaid maternity leave in Alberta, Quebec and Saskatchewan and to 17 weeks in other Canadian jurisdictions. In addition to maternity leave, all Canadian jurisdictions, except Alberta, provide for unpaid parental leave. This type of leave varies from 12 weeks in Saskatchewan, the Northwest Territories, Nunavut and the Yukon to 52 weeks² in Quebec and Nova Scotia.

* Major collective agreements are those covering 500 or more workers.

¹ *Workplace Gazette*: Spring 2000, Vol. 3, No. 1; Fall 2000, Vol. 3, No. 3; and Winter 2000, Vol. 3, No. 4.

² A total of 52 weeks, including the maternity leave.

Just as in Canada, it was with the massive influx of women into the labour market that the need to adapt social policy made itself felt in the countries studied. Politicians and sometimes organizations had no choice but to either adapt legislation to these new labour market realities (1999)³ or at least become aware of the new trend. Indeed, in Canada, the federal government has almost doubled the length of maternity leave. In terms of research into how to improve the work-family balance, several studies have already been conducted. In Canada, as in the European Union countries, measures to harmonize work and family have generally been introduced by the Government via legislation or by organizations themselves.

A Brief Overview of the Situation in the European Union Countries⁴

In the 15 European Union countries, maternity leave varies from 14 weeks in Germany, Portugal and Sweden to 18 weeks in Denmark, Ireland and the United Kingdom and 22 weeks in Italy. In general, fathers are excluded from maternity leave except in Spain and Portugal where they can take a certain number of weeks off. For example, in Spain, fathers can take four weeks of maternity leave, and a similar provision exists in Portugal. In other European countries, like Sweden, parental leave exists and it is under these provisions that fathers can take weeks off work to care for the child.

Out of the 15 European countries, seven (Austria, France, Germany, Greece, Luxembourg, the Netherlands and Portugal) pay full wages during maternity leave, whereas in Spain and Sweden, women receive 80 per cent⁵ of their salary.

By the end of 1997, 11 European countries were offering parental leave. In certain countries, the period of maternity leave can be alternatively shared between the mother and father. For example, in Germany and Poland, it is possible to alternate three times during the leave period, while in Sweden, it is possible to

alternate three times per year. In Greece, Ireland, Luxembourg and the United Kingdom, parental leave eligibility is subject to certain conditions. For example, in Luxembourg only when the father and mother work in the public sector and are covered by a collective agreement, can they benefit from parental leave. Even when there are some incentives in certain countries to take parental leave, its use very much depends on the amount of pay and benefits available during the period of leave. For instance, parental leave is unpaid in Greece, Portugal and Spain. In these countries, it is therefore more difficult to take advantage of this option, even though it is available. It was also in 1997 that several European countries began to allow part-time work after maternity leave.

As a general principle, the European Union issues directives and it is up to the individual member countries to adopt them depending on their governments at the time. With respect to maternity leave, most European countries have so far complied. On the other hand, with respect to parental leave, not all European countries have followed the central body's directives and this type of leave varies greatly in the member countries. Indeed, the present form of parental leave in the European and the way fathers are integrated seems to somewhat reflect the traditional conception of what role a father should play. It is precisely here that there has been the least change, since parental leave for the father then becomes a question of changing cultural patterns that are deeply rooted in society. Thus, it has been in those European countries, like Italy, Spain and the United Kingdom, where male domination has remained an important factor, that policies to reconcile work and family obligations have been the slowest to develop, especially in terms of their adoption in the workplace.

In the previous section we did a brief overview of the maternity and parental leaves in the European Union Countries. In the following section we will specifically examine the family policies of Spain, Sweden and the United Kingdom.

³ M. Lohkamp-Himmighofen, and C. Dienel (1999), "Reconciliation Policies from a Comparative Perspective" in L. Hantrais, *Gendered Policies in Europe: Reconciling Employment and Family Life*, St. Martin Press, Inc., 228 pages.

⁴ *Ibid.*; the following section is mainly based on this chapter of the book.

⁵ E. Nasman (1999), *Work-Family Arrangements in Sweden : Family Strategies* in L. Den Bulk, A. Van Doorne-Huiskes and J. Schippers, "Work-Family Arrangements in Europe".

Spain⁶

The current political focus in Spain is on economic issues, such as the unemployment rate, flexibility for employers and professional skills and qualifications. Social policy issues in Spain are not "front and centre" in the political arena and there is little interest in areas such as flexible working conditions and the quality of the working environment. In fact, it is interesting to note that even the term "work-family" is not widely used in Spain; "positive measures" is the term which is generally referred to.

In Spain, maternity leave, as in Canada, usually begins with the birth of the child or just before. The provision consists of 16 weeks of paid leave: mothers must take at least six weeks' maternity leave after the birth of the child with the option of taking the other 10 weeks before or after the birth. In addition, a maximum of four weeks' maternity leave can be transferred to the father. Also, after the birth, the child's father is entitled to two days of paid leave. Either parent can take up to three years of unpaid leave with their work position being guaranteed for one full year.

There appear to be some shortcomings in collective agreements in Spain with regard to protection for women. For example, working conditions during pregnancy, maternity leave and leave to take care of sick children are not extensively covered in collective agreements. This could be explained by the absence of women from the bargaining table. As a result, the interests of workers with families are not well represented with very few such workers in Spain involved in this type of activity.

Spanish culture is largely dominated by men. Balancing work and family is considered the woman's concern and more of a social benefit for both parents, rather than a social right. In addition, private organizations attempt to restrict and limit family-type benefits, such as maternity leave, as such benefits are seen as problems and additional costs to organizations. Also, the question of flexible work

arrangements is often dealt with informally and on an individual basis often arbitrarily. This situation is quite different in Canada.

In summary, women in Spain need to achieve financial independence and take their full place in the political arena. In a society where men are considered the main breadwinners, how women cope depends on their family network.

Sweden⁷

Sweden has received a lot of attention in recent years because of its generous social programs. Indeed, it is well known for public policies that help women combine work and family, promote gender equality and foster child development. Moreover, in Sweden, the issue of reconciling work and family is approached publicly, rather than privately, which is very different from the situation in Spain, and closer to the system we now have in Canada. Nonetheless, collective agreements in Sweden are, at times, more generous than the minimum standards.

Compared with the other European countries, Sweden stands out because of the huge scope of its policies dealing with work-family balance and its wide range of generous benefits.⁸

The three types of benefits available in Sweden include maternity leave, parental leave and parental leave allowances. Depending on the nature of their work, pregnant women can receive benefits representing up to 80 per cent of their salaries for 50 days, but not earlier than 60 days before their due date. This provision allows pregnant women who are unable to work without endangering their health or that of their unborn child to leave work almost two months before their expected delivery date. This provision is comparable to the possibility of precautionary cessation of work that exists in Quebec, although the Quebec situation is more generous in terms of time off work.

⁶ The section on Spain is mainly based on A. Escobedo (1999), "Work-Family Arrangements in Spain: Family Adjustments to Labour Market Imbalances" in L. Den Bulk, A. Van Doorne-Huiskes and J. Schippers, *Work-Family Arrangements in Europe*.

⁷ The section on Sweden is mainly based on E. Nasman (1999), "Work-Family Arrangements in Sweden: Family Strategies" in L. Den Bulk, A. Van Doorne-Huiskes and J. Schippers, *Work-Family Arrangements in Europe*.

⁸ C. Bergqvist and A.C. Jungar (1998), "Adaptation or Diffusion of the Swedish Gender Model?" in L. Hantrais, *Gendered Policies in Europe: Reconciling Employment and Family Life*, St. Martin Press, Inc., 228 pages.

For the birth of a child in Sweden, fathers are entitled to 10 days' leave at 80 per cent of the base rate and can take these days at the same time as the mother. However, they must be taken during the 60 days that follow the birth of the child.

The duration of parental leave is a total of 450 days, of which 420 days can be transferred from one parent to the other. These 450 days can be taken at any time during the first eight years of the child's life. Out of those 450 days, 360 are paid at 80 per cent of the salary and the remaining 90 days are paid at a fixed rate. The country's *Childcare Leave Act* also entitles parents to a year and a half of unpaid leave. Thus, in Sweden, parents have a total of 990 days of leave to share as a result of the birth of a child. In Canada, some collective agreements offer similar provisions for taking care of a child or relative. However, as in Sweden, this type of leave is unpaid. On the other hand, Sweden has another advantage whereby parents, after the return to work, are allowed 60 days per child per year to care for a sick child, medical appointments, etc. This type of benefit is relatively uncommon and is quite generous and appealing.

In addition, no matter how long they have been working, all employees are entitled to 60 days' leave per year at 80 per cent of salary to care for a sick person, regardless of whether the person concerned is a child or is elderly and whether or not it is a relative.

Sweden also offers various options, such as part-time work and flexible hours, that facilitate the work-family balance after parents' return to work.

The workplace culture in Sweden has remained more traditional than public policy. The father is still considered as the main breadwinner. Within organizations, he is still perceived as the one who will be less absent from work and who is better fitted to take on new challenges and longer work hours. The mother is seen as the one who is absent from work more often in order to take care of the children. As a result, workplaces with a higher representation of women are more oriented towards reconciling work and family than those workplaces where men are more present. Overall, some organizations in Sweden remain open to parental needs, while others stay neutral and only offer what is available through public and collective rights. It should however be noted that some

Swedish organizations offer more than what is provided in government legislation, especially in areas such as flexible hours, teleworking and extended parental leave.

Thus, based on this brief description of Swedish policy vis-à-vis work-family balance, it should now be clear why Sweden is often held up as a positive model for national social benefit systems. Several of the social benefits available are innovative and attractive, and the challenge of balancing work and family has definitely become a top priority at the heart of political debate. The equality of men and women in the labour market has also been greatly improved for several decades. This explains why Swedish social policy has been considered so progressive for so long.

The United Kingdom⁹

In contrast to the general trend towards a more open-minded vision of the family, the United Kingdom has clung to its traditional culture and values: the father is still considered the family's main breadwinner while the mother's primary role is to stay at home and raise the children. One of the consequences of this traditional approach is that the limited political interest in this area has resulted in very little public policy dealing with work-family balance.

Moreover, in the United Kingdom, the labour market has the particular characteristic of being one in which atypical forms of work, such as temporary work and fixed-contract work, are becoming increasingly common. Apart from mandatory maternity leave, all other forms of parental leave are left totally at the employer's discretion; which is somewhat surprising in this day and age! In fact, in the United Kingdom, the question of facilitating work-family balance is still seen as a private matter; in other words, one that should be addressed by the business community, rather than by politicians. Provisions that could facilitate work-family balance, such as paid leave to look after a sick child or deal with family emergencies, are often perceived simply as an additional financial burden for organizations.

Although some organizations have adopted positive measures such as part-time work and flexible hours in the form of an annualized approach to employee

⁹ This section is mainly based on S. Lewis (1999), "Work and Family Arrangements in the United Kingdom" in L. Den Bulk, A. Van Doorne-Huiskes and J. Schippers, *Work-Family Arrangements in Europe*.

work time, such measures are not universal since they are left to the employer's discretion. In the United Kingdom, measures favouring work-family balance are more prevalent in workplaces that contain a higher proportion of female workers; the civil service and some large organizations, for example. However, in the latter case, employers must be assured that such measures are beneficial from the organization's standpoint.

Overall, in the United Kingdom, the introduction of policies and measures favouring work-family balance will require major changes in the country's organizational culture, which, despite European directives, continues to function in its time-honoured manner.

Conclusion

In this article, we have provided a brief description of the measures favouring work-family balance as they currently exist in Canada and the European Union (particularly, in three of its member countries). In most countries, since the end of the 1990s, concrete measures have been put in place to help workers balance their work and family responsibilities.

However, it is clear that there are major differences between countries. This is especially true when the respective situations in Sweden and the United Kingdom are compared. Whereas in Sweden greater emphasis is placed on the development of social policies, these issues are dealt within an arbitrary fashion in the United Kingdom. It is also possible to discern certain similarities between Canada and Spain and Canada and Sweden. Comparatively speaking, it would seem that Canada's situation falls somewhere between these two countries. We have also found that the development and adoption of policies and measures to facilitate work-family balance very much depend on the culture and ideologies prevailing in given governments and organizations. Depending on the country, balancing work and family life can be seen either as an individual private issue or as a collective challenge that could, if met, be beneficial to society as a whole. Based on the information gathered, it would appear that a country's culture, ideology and values have a profound effect on many aspects of its development; not only on an economic and political level but on a social level as well. It is also interesting to note that, despite the number of social policies that now deal with work-family balance, workplaces remain predominantly traditional in their outlook, albeit at varying degrees.

WORKPLACE INFORMATION DIRECTORATE

*Labour Program
Human Resources Development Canada*

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WORK STOPPAGES – 2000 AND CHRONOLOGICAL PERSPECTIVE

*Work Stoppages, Labour Organizations and Collective Agreement Analysis Section
Workplace Information Directorate
Labour Program, Human Resources Development Canada*

Major Work Stoppages (500 or more workers)

Summary

There were 16 work stoppages involving 500 and more workers during the fourth quarter of 2000 in Canada. In Ontario, the strikes at Falconbridge Ltd. and at York University respectively represent 78,850 and 75,850

person-days not worked, which is approximately 46 per cent of the person-days not worked during the fourth quarter. During the same period, the strike by the municipal workers with the City of Vancouver accounted for 77,500 person-days not worked.

Table A

Major Work Stoppages by Jurisdiction Fourth Quarter 2000

Jurisdiction	Stoppage	Workers Involved	Person-Days Not Worked
Newfoundland	2	1,261	9,700
Prince Edward Island	-	-	-
Nova Scotia	-	-	-
New Brunswick	1	750	13,920
Quebec	3	16,740	16,740
Ontario	7	8,765	195,000
Manitoba	1	2,500	650
Saskatchewan	-	-	-
Alberta	-	-	-
British Columbia	1	2,500	77,500
Territories	-	-	-
Multiprovince	-	-	-
Total Provinces	15	32,516	313,510
Canada Labour Code-Part I	1	900	19,290
Federal Administration	-	-	-
Federal Total	1	900	19,290
Total	16	33,416	332,800

Source: Workplace Information Directorate

Table B

Major Work Stoppages by Industry Fourth Quarter 2000

Industries	Stoppage	Workers Involved	Person-Days Not Worked
Primary Industries	1	1,200	78,850
Manufacturing	4	5,850	20,470
Construction	-	-	-
Transportation, Communication and Other Utilities	1	900	19,290
Trade and Finance	1	1,015	2,900
Community, Business and Personal Services	6	6,951	118,790
Public Administration	3	17,500	92,500
Various Industries	-	-	-
Total	16	33,416	332,800

Source: Workplace Information Directorate

All Work Stoppages (one or more workers)

Table C

All Work Stoppages by Jurisdiction Third Quarter 2000

Jurisdiction	Cumulative to September 30, 2000		
	Stoppage	Workers Involved	Person-Days Not Worked
Newfoundland	9	2,069	15,620
Prince Edward Island	-	-	-
Nova Scotia	5	259	9,980
New Brunswick	3	481	9,130
Quebec	100	7,598	234,600
Ontario	111	43,323	421,360
Manitoba	5	366	20,650
Saskatchewan	4	343	8,170
Alberta	8	8,188	50,880
British Columbia	41	46,387	279,380
Territories	1	420	1,260
Multiprovince	1	84	2,450
Total Provinces	288	109,518	1,053,480
Canada Labour Code-Part I	11	5,996	87,860
Federal Administration	-	-	-
Federal Total	11	5,996	87,860
Total	299	115,514	1,141,340

Source: Workplace Information Directorate

Table D

All Work Stoppages by Industry Third Quarter 2000

Industries	Cumulative to September 30, 2000		
	Stoppage	Workers Involved	Person-Days Not Worked
Primary Industries	13	16,582	195,050
Manufacturing	110	15,747	313,530
Construction	5	515	12,240
Transportation, Communication and Other Utilities	29	6,087	72,660
Trade and Finance	41	10,393	97,890
Community, Business and Personal Services	83	46,166	333,290
Public Administration	18	20,024	116,680
Various Industries	-	-	-
Total	299	115,514	1,141,340

Source: Workplace Information Directorate

A weekly listing of major work stoppages in Canada and a full chronological perspective are available on the Workplace Information Directorate Web site at:

<http://labour-travail.hrdc-drhc.gc.ca/doc/wid-dimt/eng/>

Table E

Work Stoppages – A Chronological Perspective

Period	Number beginning year or month	in existence during year or month*			% of Estimated working time
		Total Number	Workers involved	Person-days not worked	
1990	519	579	270,471	5,079,190	0.17
1991	399	463	253,334	2,516,090	0.09
1992	353	404	149,940	2,110,180	0.07
1993	323	381	101,784	1,516,640	0.05
1994	312	374	80,856	1,606,580	0.06
1995	282	328	149,159	1,583,061	0.05
1996	297	330	281,816	3,351,820	0.11
1997	229	284	257,664	3,610,206	0.12
1998	341	381	244,402	2,443,876	0.08
1999	358	413	158,612	2,445,770	0.08
1999					
September	31	102	16,464	169,770	0.06
October	27	95	10,601	122,340	0.05
November	32	92	15,506	153,900	0.06
December	30	94	16,774	115,000	0.04
2000					
January	28	86	23,164	145,810	0.06
February	26	84	11,821	72,070	0.03
March	31	89	36,044	163,350	0.06
April	35	92	24,474	153,300	0.06
May	28	91	13,792	110,210	0.04
June	24	95	22,898	140,310	0.05
July	25	80	18,777	135,150	0.05
August	22	78	10,209	106,590	0.04
September	22	76	17,130	114,550	0.04

* Refers to work stoppages which began during the year or month as well as those carried over from the previous year or month.

Source: Workplace Information Directorate

TECHNICAL NOTES

Data on work stoppages collected by the Workplace Information Directorate of the Labour Program of Human Resources Development Canada covers strikes and lockouts which amount to ten or more person-days lost.

A strike is a concerted work stoppage by a group of employees which is done in order to bring about a change in an employer's position, and it occurs during the negotiating process. A legal strike is one that respects all the conditions mandated by law, most notably that the strike is taking place during negotiations. A strike will be declared illegal if it does not respect the applicable laws. A lockout occurs when work is suspended by the employer or a group of employers in order to pressure employees to change their position, and a lockout must also occur during the negotiating process.

Developments leading to work stoppages are sometimes too complex to make it practicable to distinguish between strikes on the one hand and lockouts on the other.

The major characteristics of work stoppages on which information is gathered are:

Employer – Firm or firms employing the workers reported on strike or locked out.

Location – Location of the plant or premises at which the work stoppage occurred.

Industry – Industry of employer according to the Standard Industrial Classification, Statistics Canada (Revised 1970).

Union – The workers' organization(s) directly involved or concerned in the dispute that led to work stoppage.

Workers Involved – The total number, or approximate total number, of workers reported on strike or locked out, whether or not they all belonged to the union directly involved in the dispute that led to work stoppage. Where the number of workers involved varied in the course of the stoppage, the maximum number is used in tabulating annual or other totals. (Where a stoppage commenced in a previous year, the maximum number during the whole stoppage is

the number used). Monthly totals are similarly based on the highest figures but allowance is made for changes reported in stoppages extending over two or more months. The total number of workers shown may include the same workers more than once if they are involved in more than one work stoppage during the year (or other reference period). Workers indirectly affected, such as those laid off as a result of a work stoppage, are not included in the data on workers involved.

Starting Date – The day on which the work stoppage began.

Termination Date – For work stoppages that are terminated by mutual agreement, the termination date is the day on which work was resumed. Where normal operations could not be resumed shortly after the employees agreed to return, the day on which they were available for work is regarded as the termination date. Some work stoppages are never formally settled, and this presents statistical difficulties. In such a case, the stoppage is usually considered terminated for statistical purposes, at the date by which it was established that two-thirds or more of the workers involved had either returned to work, or had found work with other employers; or the date by which it was reported that the operations affected by the work stoppage would not be resumed.

Duration – The duration of each stoppage is calculated in terms of working days, including the starting date and all subsequent normal working days up to the termination date. The days counted as working days are those on which the establishment involved would normally be in operation (five days per week).

Duration in Person-Days – Duration in working days multiplied by the number of workers involved. For work stoppages involving establishments in which the number of weekly working days (see Duration above) exceeds the work week of individual employees, the duration in person-days is adjusted by the appropriate ratio. Variations in the number of workers involved in the course of a stoppage are also taken into account in the calculation as far as practicable. The data on duration of work stoppages in person-days are provided to facilitate comparisons of work stoppages in terms of a common denominator; they are not intended as a

measure of the loss of production time to the economy. The expression "Time loss" is occasionally used instead of "duration in person-days". The term most commonly used is person-days not worked due to the duration in person-days of all work stoppages in a year is also shown as a percentage of estimated working time based on estimates of the number of non-agricultural paid workers in Canada obtained from the Labour Force Survey of Statistics Canada.

Jurisdiction – Statistics on work stoppages are also classified according to jurisdiction. This is done on the basis of the government and those businesses

covered by Part 1 of the *Canadian Labour Code* whose industrial relations statistics are applicable to the establishment involved in the dispute. (The tabulation of statistics on work stoppages by jurisdiction corresponds to a tabulation by province, except where the Federal jurisdiction is involved.)

The data reflect all work stoppages that have come to the notice of Workplace Information Directorate, and meet the criteria defined above, e.g., minimum person-days. The methods used to secure this information are believed to be adequate to preclude the possibility of major omissions.

SECTION 3

INNOVATIVE WORKPLACE PRACTICES

Nancy Amyot
Workplace Information Directorate
Labour Program, Human Resources Development Canada

This overview of innovative or special interest provisions is drawn from a summary of 90 collective agreements that were settled in September, October, November and December 2000.

Duration

Contrary to a recent trend that has been observed for some time now, most of the collective agreements signed during the selected period had a duration of 36 months or less. More precisely, for 54 agreements, i.e., 60 per cent, the duration was 24 or 36 months (15 and 39 respectively). Even more surprising, when adding the other agreements with a duration under 36 months, **80 per cent of the new collective agreements** fall into the category of agreements with a duration of **36 months and less**. Only four collective agreements had a duration of 60 months or five years and more, with two being in effect until 2006 (Zehrs Markets and United Food and Commercial Workers International Union).

Committees

It seems that the joint committee option is still very popular when it comes to discussing or implementing new projects. In fact, 22 collective agreements refer to the creation of at least one new joint committee during the life of the agreement. It is worth noting the wide array of issues discussed in these committees as well as the high number of organizations planning to form more than one committee. Moreover, in several cases these would be ad hoc committees. Among issues dealt within committees were the following: the establishment of a workplace child care facility; staffing of positions; disability management; working hours; job sharing; review of fringe benefits; review of grievance procedure; teleworking; and mutual respect and dignity.

The four collective agreements signed between the City of Vancouver, Vancouver Board of Parks and Recreation, Ray-Cam Cooperative Association and Britannia Community Services Centre Society, and Canadian Union of Public Employees, plan for the set-up, in the four months following ratification, of a committee responsible for drawing up a letter of agreement **in order to identify the applicable conditions for telework**. Recommendations from the committee would be discussed during the next round of negotiations; upon approval of the parties however, some of the recommendations could be carried out before the start of the negotiations. The agreement between the Regional Municipality of York Police Services Board and the Regional Municipality of York Police Association includes a provision for the creation of a committee whose mandate is to discuss the delivery of a **job-sharing program**. If the parties fail to come to a mutual agreement, **an arbitrator will have power to decide whether such a program must be implemented and to determine the requirements**. Following a challenging negotiation process, Cara Operations Ltd. from British Columbia and Hotel Employees and Restaurant Employees International Union agreed in a letter of understanding that a **committee on mutual respect and dignity** should be established with the goal of finding solutions to improve labour-management relations. According to the agreement, the first meeting is to be held with the participation of a facilitator during the month following ratification.

Training

The two agreements ratified by the Regional Municipality of Peel Police Services Board, Ontario, and the Regional Municipality of Peel Police Association contain a provision awarding **an allowance for occupational training applying to the spouse**. Moreover, the PipeLine Contractors

Association of Canada and the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada provide for an **international training fund**.

Compensation and Working Conditions

The Aluminerie de Bécancour inc. and the Fédération des syndicats du secteur de l'aluminium inc. have negotiated, in addition to an annual wage adjustment, a cost-of-living allowance clause. Furthermore, the two agreements signed by Air Canada and Air Canada Pilots Association and by the National Automobile, Aerospace, Transportation and General Workers Union of Canada, contain a provision stipulating that the wage adjustment that had already been negotiated for the last two years of the agreement will be reopened if the Consumer Price Index for the preceding year exceed the planned adjustments by over 1.0 per cent. Similarly, the agreement between British Columbia Ferry Corporation and British Columbia and Marine Workers Union ties the wage adjustment for the last year to the full British Columbia Consumer Price Index.

Union Gas and the Communications, Energy and Paperworkers Union of Canada have agreed on implementing a **flex benefits program** as defined in a **core plus options** plan. Under this plan, the company continues to offer a basic plan that includes extended medical coverage, dental coverage, life insurance, accident insurance and long-term disability

insurance. Adding to this basic coverage are options that can be bought by the employer using credits allocated to employees according to their status as full- or part-time workers, plus a percentage of annual salary. Moreover, Union Gas offers to current employees the **opportunity to choose** irreversibly among **three new types of pension funds** or to stay with the existing one. New employees will choose from three new options.

At Union Gas, a negotiated provision relates to the **maintenance of the established employer-employee status during work slowdown periods**. The provision identifies a series of measures that can be applied to maintain the employment if so desired. These measures include: job sharing, reduction in work hours, relocation aid, participation to special projects, retraining, leave without pay or voluntary termination of employment.

Labour Relations

In a letter of agreement signed between Zehrs Markets, Ontario, and United Food and Commercial Workers International Union, the company commits itself not to layoff any full-time employee during the life of the collective agreement and furthermore, to hire 300 new full-time clerks during the same period. In another aspect, Entourage Technology Solutions Inc, in Ontario and Quebec, and the Communications, Energy and Paperworkers Union of Canada have introduced a new pre-arbitration step that involves the union representative at the national level and the human resources director in the grievance procedure.

April 28 – National Day of Mourning

Each year on April 28, the Canadian flag is flown at half-mast on Parliament Hill. It is lowered in honour of the National Day of Mourning.

The National Day of Mourning is the only day dedicated to commemorating those who have died or been injured as a result of workplace accidents. It is an occasion to remember Canadian workers, from those who helped build Canada in earlier times, to those who continue that legacy today.

The significance of the National Day of Mourning is not immediately apparent. It is only when we learn that three Canadian workers are killed every working day and that every nine seconds someone is injured on the job, that we begin to understand the implications of hazards in the workplace.

These work-related accidents also carry an economic cost. Compensation paid to work accident victims or their families **averaged \$5 billion a year from 1991 to 1995**. If the indirect costs of accidents are included, this **amount doubles to \$10 billion**.

The statistics and dollar figures, alarming as they are, do not come close to telling the story of pain and suffering caused by occupational accidents. In each case, a whole network of people is affected—children, spouses, parents, friends, and co-workers.

Thirty years ago, the Government of Canada developed occupational safety and health legislation to help improve workplace conditions. Much progress has been made each year since and has greatly contributed to the decrease in workplace accidents. Between 1993 and 1997 alone, workplace accidents in Canada have declined by 11 per cent.

Accidents will always occur, but the overall number of incidents can be reduced by education, awareness, and cooperation.

This year marks the 10th anniversary of the National Day of Mourning. As we focus our attention once again on the tragic consequences of workplace hazards, it is important to remember that we all have a role to play in helping **to promote healthy and safe workplaces for all Canadians**.

“THE SEED YOU PLANT TODAY” – CONFERENCE ON YOUTH HEALTH AND SAFETY IN THE WORKPLACE

Labour-Management Partnerships Program
and the
Youth Employment Strategy

Introduction

From October 15th to 18th, 2000, 130 youth and an equal number of health and safety professionals and interested parties representing industry, the labour movement and government attended the first ever Canadian conference concerning Youth Health and Safety in the Workplace. The conference focused on identifying problems that youth experience in the early years of their working careers and how these problems can be addressed from the perspective of youth.

“The seed you plant today will eventually germinate into the future health and safety of workers.”

Jodyne Greene, Youth delegate from Manitoba

Conference Outline

The Honourable Ethel Blondin-Andrew, Secretary of State for Children and Youth, formally opened proceedings noting that the conference was the first step in the right direction to resolve an unacceptable situation.

To provide a context for health and safety in the workplace, keynote speakers addressed several far-reaching topics.

- why is health and safety of youth at work a unique issue and a priority for all stakeholders?
- the importance of workplace health and safety,
- the medical aspects of injury control, and
- the wider issue of child labour.

Panelists and youth delegates then provided expert advice on:

- youth health and safety at work: issues and priorities, and
- nature of the work environment: potential impacts on the health and safety of young workers

Workshops were held to discuss more technical aspects of:

- issues, challenges and impact of work on youth,
- education and training needs—reducing the risk for young workers, and
- roles and responsibilities—health and safety.

— Case Study summarized from the report “The Seed You Plant Today”, *The Proceedings of the October 15th-18th Conference on Youth Health and Safety in the Workplace*, Ottawa, December 31, 2000. You can access the full report at < www.ccohs.ca/events/youthconference/youthconfproceedings-e.pdf >. The report was co-ordinated by Jim Hamilton, Hamilton, Thompson and Associates.

Concurrent sectoral breakout sessions took place to discuss aspects of youth health and safety in the following sectors:

- agriculture and fisheries sector,
- mining, oil and gas sector,
- forestry and construction sector,
- manufacturing, transportation, utilities and communications sector,
- hospitality, food industry and retail sector,
- small businesses and independent and contract workers,
- office and high technology sector,
- health sector, and
- volunteer sector.

A separate group also examined health and safety from a national perspective. Based on the presentations and workshops of the conference and their own experiences, youth delegates within the breakout sessions developed findings and

recommendations with respect to youth health and safety in the workplace. Youth delegates then presented these to a senior panel for consideration. The Honourable Claudette Bradshaw, Minister of Labour, received the recommendations of the youth delegates and closed the conference.

Members of the senior panel included:

- SANDRA MORGAN, Deputy Minister, Government of Saskatchewan Department of Labour and Immediate Past President of the Canadian Association of Administrators of Labour Legislation,
- HASSAN YUSSUFF, Executive Vice-President, Canadian Labour Congress,
- THE HONOURABLE PERRIN BEATTY, President and Chief Executive Officer, Canadian Manufacturers and Exporters, and
- MAURICE PROULX, Assistant Deputy Minister, Ontario Ministry of Education.

Key Finds and Recommendations

The youth delegates identified seven major concerns that impact significantly on youth health and safety in Canada's workplace today and voiced their recommendations as follows:

"Health and Safety is considered a high priority within youth today across Canada and must be first and foremost with the government."

Deveilyau Tymusko, Youth Delegate from British Columbia.

1. A need for enhanced education and training

Delegates from all sectors observed that both employers and employees lack knowledge as to both their obligations, rights and responsibilities with respect to health and safety, and the identification and benefits of effective health and safety processes.

Training is especially important for youth as, without work experience, it provides them with an initial approach to the workplace that can only enhance their safety. It is also important to experienced workers to keep them current with new developments in health and safety.

Delegates also stated that customized training may be necessary for specific areas of employment. Training should also deal specifically with conflict resolution, violence in the workplace and volunteerism.

Recommendations:

All reports coming back from breakout sessions recommended the enhanced training/education of youth. Several reports recommended that health and safety comprise an integral part of the core curriculum from Kindergarten to Grade 12.

Other reports recommended that the need for specialized training geared to actual job requirements as well as the need to educate employers. Job-related training could be linked to certification which would lapse if employees did not remain current.

2. A need to enhance the general awareness of employers and employees

It was noted that both employers and employees need to change their awareness of and attitude towards health and safety, especially as it affects youth. They recognized that non-youth and employers often either are not aware or ignore the plight of youth with respect to health and safety.

Examples of a lack of awareness of unsafe conditions include: farmers who, when employing youth, use chemicals without a full knowledge of accompanying hazards, and young contract workers who often ignore health and safety as they are only on site for a short period of time. Delegates within the hospitality, food and retail, and health breakout sectors also noted that employers within their sectors often ignore the

Recommendations:

Most youth delegates emphasized the need for a national health and safety awareness campaign focused especially on youth, families and children. Several recommendations were made as to the basic message of the campaign and its methods. The campaign should centre on:

- putting the message out to youth, families and children emphasizing simple precautions, safety tips etc., and
- making employers and employees fully aware of the obligations, rights, responsibilities and laws with respect to workplace health and safety.

The campaign would be nation-wide, and use all aspects of the media including: television, radio, billboards, busboards etc. To be successful, the campaign would require the active support of all parties, including youth, industry unions, and government.

Recognition was given that special training programs should be developed for:

- small businesses,
- the agricultural sector,
- the fisheries sector, and
- the volunteer sector.

health and safety opinions of youth. They are only low-paid substitute workers.

Several delegates noted that awareness and attitude, especially related to employees and small businesses, would be enhanced if more use were made of already established support groups and local organizations. The use of local support groups and local organizations should be part of the National Awareness Campaign mentioned above. Local support groups could include, for example, the Safe Communities Foundation, the YMCA/YWCA, small business organizations, parent/teacher councils, farming service dealerships, etc.

3. A lack of enforcement

Youth delegates from nearly all breakout sessions reported a lack of effective enforcement of health and safety regulations with respect to both employers and employees.

Recommendations:
Most youth delegates recommended that the enforcement of existing health and safety laws and regulations should be enhanced. Also recommended was a significant increase in penalties for non-compliance and, if necessary, amendments to the Criminal Code to apply to health and safety infractions where deliberate negligence has led to serious injury or fatalities. They also noted that enhanced enforcement should apply both to employers and employees.

4. The communications skills of supervisors

The delegates observed that many employers have difficulty relating to youth, and that supervisors often lack the soft-skills required to communicate. Youth often are aware of dangerous situations, but if these situations are not openly discussed between youth and management, health and safety can be jeopardized.

Recommendations:
Course offerings were recommended for supervisors to enhance their soft-skills to communicate better with youth. Courses should prepare supervisors to dialogue with youth as well as to respect their opinions.

5. The availability and cost of information

Health and safety information costs money and requires time to obtain and to distribute among employees. Delegates noted that this could be detrimental to health and safety in the workplace, especially in small business, agriculture, and fisheries.

No recommendation.

“Everyone in our workshop agrees that youth employees are scared to ask questions; fear employers; don’t know where to go.”

Jacqueline Johnson, Youth delegate from Saskatchewan

6. A need for national standards

A key issue to young workers is that safety standards and orientation procedures change from industry to industry and province to province. One delegate suggested that industries and provinces should identify the “best” processes and bench mark with them.

Recommendations:

The need for consistency in standards and orientation procedures across Canada was recognized. Consistency could be achieved either through the establishment of national standards based on national legislation or through the practice of each jurisdiction bench marking to the best standard in the country. Orientation procedures should also be standardized across industries throughout Canada.

7. A number of work activities that fall outside the usual health and safety net

Delegates observed that some activities within the workplace either are not covered by present health and safety legislation or appear to fall outside of the present administrative structure used to enforce compliance. This concern is critical to youth as it is often in these sectors where youth find initial employment.

The activities include employment within small business, employment on farms, contractual employment, work at home, and volunteerism. Non-applicability means that effective information on health and safety may not be distributed, and processes to enhance health and safety may be limited. Non-applicability also means compensation in cases of actual injury may not be available. Being outside of the effective enforcement net will have the same effect.

The phenomenon of being outside of the net is probably most pronounced in the agricultural and fisheries sector and in volunteerism.

Recommendations:

Delegates recommended the following:

- application of existing health and safety legislation to the volunteer sector,
- registration of agencies using volunteers,
- government provision of training for the volunteer sector, including their volunteers,
- financial assistance to the volunteer sector to compensate for health and safety injuries,
- financial assistance to small business and the agriculture and fisheries sector to obtain and distribute health and safety information to employees, and
- a wider use of incentive programs especially aimed at inducing improved health and safety practices within small business.

The immediate formation of youth health and safety advisory committees was recommended by the delegates. It was anticipated that there would be a committee in each territory and province and at the national level.

Where do we go from here?

The recommendations were submitted to the senior panel and their responses follow:

- Ms. SANDRA MORGAN committed to sharing the findings and recommendations of the youth presenters with every Deputy Minister of Labour in Canada and to report on the conference at the next meeting of the Canadian Association of Administrators of Labour Legislation. Ms. Morgan also advised that Saskatchewan has created a Youth Advisory Committee on Health and Safety, and will urge her colleagues in all of the other provinces to do likewise.
- Mr. HASSAN YUSSUFF remarked that the one central theme flowed through all of the presentations of the youth delegates: "education, education, education". He noted that youth must be aware of their rights and the dangers in the workplace, and that this can be achieved through education. Mr. Yussuff also stated: "There will be a summary of the conference. I certainly am prepared to take them (the recommendations) back to the Canada Labour Congress Joint Health and Safety Committees and discuss what you are saying and see how my colleagues and I can work on the implementation of these recommendations across this country to give some meaning to them."
- The HONOURABLE PERRIN BEATTY saw the recommendations falling into three main categories: awareness, greater national coordination and consistency, and adequate enforcement. Mr. Beatty agreed that information on rights in the workplace needs to be disseminated early, preferably within the school system before youth join the labour force. As to national standards, he pointed out that more would be achieved if we jointly search for practical solutions, focusing especially on coordination and harmonization. He said: "I will certainly go back to our people and to governments and say that there

"If this stops here, what have we done; (we) need to go on."

Derek Hayden, Youth delegate from Newfoundland

is more that associations like mine can be doing in working with employers to make the case (for health and safety in the workplace). We simply can not afford these tragic human and economic losses as a result of accidents and illnesses in the workplace."

- In accord with his panel colleagues, Mr. MAURICE PROULX agreed that enhanced education is a critical recommendation with respect to youth health and safety in the workplace. He doubted whether there was a single teacher in Canada who would not take advantage of the educational resources to teach health and safety in the school systems if they were made available to them.

In receiving the recommendations of the youth delegates, the HONOURABLE CLAUDETTE BRADSHAW, the

federal Minister of Labour, saw the conference as a new beginning that had taken a hundred years to occur. Noting that one third of lost-time injuries happen to youth, the Minister said:

"To the young people, I say that I have found your views of the world perceptive and often unique. I'm interested in what you have to say. I respect your views. To the rest of us, I say we can learn from our young people just as we can learn from each other. And that is what this conference has been about. It has been about bringing people together to better understand health and safety issues confronting young workers and how to make progress in dealing with the issues."

As to the findings and recommendations of the youth delegates, the Minister of Labour committed to move forward by:

1. agreeing to review the recommendations of the youth delegates;

2. ensuring that her advisors study the recommendations to see what can be done;
3. circulating the youth delegates' proposals to her provincial and territorial colleagues;
4. presenting the recommendations for review and discussion at the next meeting of the Ministers of Labour; and
5. working with other levels of government as several of the issues raised cut across municipal, provincial and federal jurisdiction.

The Minister thanked the delegates for their frankness, and concluded that the process involving youth with health and safety must continue.

Presenters noted that youth, when employed, should never sign a waiver reducing the health and safety responsibilities of employers.

The opinions expressed in this document do not necessarily reflect those of the Government of Canada or of the major organizers:

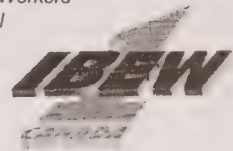
*the Communications, Energy and Paperworkers Union
of Canada and the Canadian Chemical Producers' Association of Canada.
This project was financially assisted by the
Labour-Management Partnerships Program and the Youth Employment Strategy.*

HARNESSING THE POWER OF JOINT WORKPLACE COMMITTEES – NEW BRUNSWICK POWER CORPORATION AND INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS



Énergie NB Power

New Brunswick Power and the International Brotherhood of Electrical Workers have a history of working collaboratively in pursuit of mutual interests. This has resulted in the introduction of leading-edge initiatives, such as the establishment of a workplace child care facility and the implementation of a flex-benefits program. Notwithstanding this successful track record, a significant transformation of the energy sector in New Brunswick and Eastern North America caused stresses in the labour-management relationship.



Introduction

In 1997, the company and the union began actively promoting the use of joint workplace committees – plant-based or regional committees in which labour and management share the leadership role to address workplace issues and to promote communication. The following accomplishments set the foundation for second-stage activities:

- development of a governance model for joint workplace committees;
- start-up of new committees in the Generation Business Unit and Transmission and Distribution Business Unit;
- delivery of a 2½-day training session to committee representatives; and,
- signing of a contribution agreement with the Minister of Human Resources Development Canada to enact plans for a *Conference on Best Practices for Joint Workplace Committees* and Related Training Activities.

On January 12-13, 2000, New Brunswick Power and the International Brotherhood of Electrical Workers co-sponsored the conference. It was designed to: support 14 joint workplace committees, functioning across four business units (i.e., Transmission and Distribution, Generation, Nuclear, Customer Service & Marketing), in reaching their full potential; and, inform the practices of other committees (e.g., Health & Safety Committees) at New Brunswick Power. Approximately 160 delegates and guests had the opportunity to interchange information and best practices.

Conference on Best Practices

The idea for this forum was forwarded in 1998 by employees who participated in developing a new governance model for joint committees in the Generation Business Unit. In January, 2000, the company and union set the tone for the new millennium by co-sponsoring a *Conference on Best Practices for Joint Workplace Committees*. The employees thought that committees from across business units would benefit by gathering to: exchange information, share best practices, and acquire new skills and knowledge through training.

On a daily basis, committee representatives from Generation Business Unit and Transmission and Distribution Business Unit exchanged information about their unique approaches to governance and best practices. Delegates also participated in one of the following 1½-hour training sessions offered each day:

- Achieving Consensus;
- Conflict Resolution;
- How to Start and Sustain a Joint Workplace Committee;
- Joint Problem Solving;
- Three Generations at Work; and
- The Business of Listening.

The highlight of the second day was an interactive panel presentation by representatives of New Brunswick Power and International Brotherhood of

— Case Study summarized from the Final Report: *Conference on Best Practices for Joint Workplace Committees (JWCs) and Related Training Activities*; prepared by New Brunswick Power Corporation (NB Power) and International Brotherhood of Electrical Workers (IBEW), Local 37, and co-ordinated by Carol MacLeod, Carol McLeod & Associates Limited.

Electrical Workers High-Level Labour-Management Committee. The panelists delivered a series of 10-minute presentations on the theme of *Joint Leadership Towards an Unknown Future* and then responded to questions from the floor. Handouts of all the presentation visuals projected on screen were distributed. The related feedback was so positive that the project's Steering Committee launched an unprecedented follow-up initiative, delivering similar presentations to the company's employees at large in April 2000.

The final conference activity involved round-table discussions among all 160 participants to identify lessons learned and to discuss barriers in strengthening joint workplace committees. This information was subsequently made available through the company's electronic infrastructure.

Outreach 2000

In April 2000, through its High-Level Labour-Management Committee, New Brunswick Power and International Brotherhood of Electrical Workers, Local 37, co-sponsored 19 *Outreach 2000* events across New Brunswick. *Outreach 2000* created an opportunity for two-way communication between employees and the senior-most leaders of the corporation and the union. Local committees co-hosted events in their area, appointing a co-chair and handling communications and logistics. At every event each of the five panelists delivered a 10-minute presentation, supported by large-screen visuals and handouts, and then responded to questions.

All employees were invited to participate in *Outreach 2000* on company time – although 1,666 evaluation forms were completed, the actual number of participants is estimated to be higher. An audio-video tape was prepared for employees who were unable to attend.

An article referring to *Outreach 2000* was written by Don Richardson, a columnist for the *Daily Gleaner*, and published on Friday, April 14, 2000. The following excerpt captures the essence of *Outreach 2000*.

"For the past two weeks, Cole (Business Manager, IBEW, Local 37) and NB Power President James Hankinson have toured NB Power's generating plants and district offices, standing side by side to explain

their mutually agreed approach to workplace change... Everywhere they go, Cole says, they deliver the same message—management and labour will tackle change together, and thereby survive change together."

Project's Impact on the Labour-Management Relationship

Change breeds uncertainty about the future. Complex issues, such as staff redeployment, were deeply unsettling to everyone. It was clear that efforts by the High-Level Labour-Management Committee to jointly manage change would benefit from parallel efforts at local levels.

The project's focus on the ongoing development of joint workplace committees in the plants and regions has improved the relationship between labour and management at all levels of the corporation and union. The High-Level Labour-Management Committee became a more cohesive team as a result of their experience in leading the project using consultative processes. This has served the corporation and the union well during negotiations currently being conducted on a business-unit basis for the first time.

The Conference on Best Practices for Joint Workplace Committees, and the follow-up *Outreach 2000* initiative, visibly demonstrated that an open attitude towards information sharing and listening helped to nurture labour-management partnerships. The important role that the committees could play in facilitating communication about corporate change was also featured. The link between a healthy labour-management relationship and survival in a highly competitive environment was established.

A new corporate culture has taken root, one in which the quality of relationships between labour and management is central. Inevitably, the road from vision to reality is not always smooth. Although several committees experienced growing pains, committees across various business units are engaging in joint problem solving and learning from each others' successes and failures.

The project's Steering Committee has a training plan in place to continue supporting events and activities that will sustain its commitment to jointly managing workplace change through labour-management partnerships.

Lessons Learned

At the end of the Conference on Best Practices for Joint Workplace Committees all 160 participants were involved in round-table discussions.

A representative from each table reported back and the key points are reproduced below verbatim. New Brunswick Power and the International Brotherhood of Electrical Workers hope that this information will assist others in improving their labour-management partnerships.

Round Table Discussions Outcome

What Lessons Have You Learned?

- Different people require different types of communication
- Group problem solving is a learned skill
- It is a difficult task to take information back to work areas and sell
- Speaking to stakeholders is a good idea
- Believing in stakeholders is a good idea
- Change and adapting to change
- Learned how important joint workplace committees are to NB Power and the IBEW
- When there is a will there is a way
- There is a commitment by all parties, including senior management
- Be good listeners and not jump to conclusions
- Management support is there – The gap is closing between labour and management
- Have the opportunity to make a difference
- Commitment to skills development
- Momentum needs follow up and guidance
- We all have a common objective – to have a better workplace
- More joint training, consistent messages and more preparation of the people for the future
- Doors are never shut – Communication is open to both parties
- Learn to use joint problem solving

What barriers do you see?

- Participation of all employees – Need buy in
- Uncertainty in the future with changing times
- Challenges of communication to and from the committee
- Relay the sincerity of the High-Level Labour-Management Committee to our first-line supervisors
- Lack of trust is a large barrier, particularly due to past disappointments – Need to put the past behind and start fresh
- Uncertainty in the future, relative to outstanding decisions to be made
- Outside influences, such as government decisions
- New, improved communications both ways
- Change of committee name, Labour-Management Committee
- Closing the gap by getting all of the stakeholders involved
- Keeping the members of the committee, as well as the stakeholders, interested and energized
- More participation from employees
- We need all employees to see the serious message and come on board
- We need to reach our “non-believers” and make them believe that this can work
- Trust is a major issue
- Not losing the momentum

- Close the gap that hampers the initiative by selling the committee
- Employees on the committee are serious – Good support from labour and management
- Need to involve all of the stakeholders in these meetings
- There are a vast number of topics that may be forwarded to joint committees
- There is great value in this type of conference, especially for networking with others in the company
- Not following the committee's mission statement
- Getting trust and passionate involvement from stakeholders and members of the committee
- Applying the skills that we have acquired
- Future direction is unknown and this leads to insecurity
- Middle management has to be able to let go in order for the joint committees to flourish
- Getting stakeholders to buy in from top to bottom
- Communications – People are still not aware of what joint committees are doing and challenge is to transfer the commitment and enthusiasm flowing from this conference to employees

The views and opinions expressed in this document are those of the conference participants, and do not necessarily reflect the position of the Labour Program, Human Resources Development Canada.

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ALGOMA CENTRAL RAILWAY – LABOUR-MANAGEMENT PARTICIPATION PROJECT

Julia Markus
Employee Ownership and Incentives Association

Introduction

When a company decides to move toward a participative workplace, it is not always apparent what needs to take place for this type of management strategy to work. In order to succeed, often both management and employees must develop new skills to support the new management approach.

In many cases, managers see worker participation as a threat or even an insult to their authority and decision-making ability. But in fact, employee participation is intended to enhance management decisions. This happens in two ways:

- **FIRST**, managers are busy people and many decisions can be made without their intervention. When employees and supervisors receive clear directions on the boundaries of their authority, they are the best people to make decisions that affect the work they are entrusted to carry out on behalf of the company.
- **SECOND**, many decisions are ones for which it is important to have employee buy-in, which has consistently been shown to work best with employee input. There are also times when employee participation is not appropriate, primarily in crisis situations.

The success of participatory workplaces is also related to individuals' ability to communicate clearly with one another. Communication skills are the stepping stones to creating well-informed, mutually satisfactory workplace decisions – and training is the key. In particular, in companies coming from a traditional top-down model of decision-making, training in communication and participatory decision-making skills is generally recommended for everyone in the company.

Furthermore, in order to make effective decisions about any issues affecting the business, it is very useful for everyone to understand business and



financial fundamentals, as well as the specific economic, social, marketing and operational issues of importance to their company and industry.

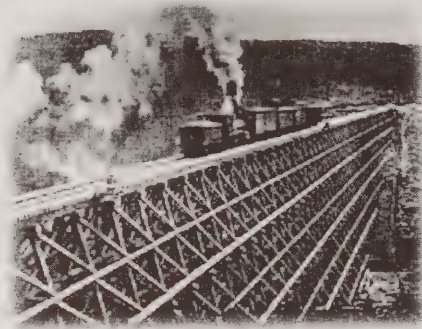
Even with all these skills, employee participation will only take hold and grow if both employees and managers at all levels in an organization agree to practice a participative approach on a daily basis. As everyone in the company adapts to a new decision-making style, gradual changes can be expected over a period of two to five years. Programs encouraging employee participation should also be evaluated on a regular basis so they can be adjusted, fine-tuned and revitalized if needed.

The objective of the project was to explore ways to create a co-operative labour-management environment by introducing joint problem-solving and group communication skills. As well, training in business and finances would be provided to the management and unions to help them work together to discover new work opportunities for Algoma Central Railway.

The project included designing education and a process that would allow joint committees, comprised of Algoma Central Railway's management, union workers and the non-union workforce, to begin co-operatively analyzing potential new production methods and new markets.

Company Background

The Algoma Central Railway Company was incorporated in 1899 by a Special Act of the Parliament of Canada to construct a railroad from Sault Ste. Marie, Ontario, northward to the transcontinental main line of the Canadian Pacific. The railway was extended northward to Hearst, Ontario, in 1914. The company was renamed Algoma Central Railway in 1965, and Algoma Central Corporation in 1990.



Most of over 100 trestles built on the A.C.R. between 1899 and 1914 were filled in by 1928.

This north-south railway connects with five other railways – including Huron Central, Wisconsin Central, Ontario Northland Railway, Canadian National and Canadian Pacific. Principal freight clients include St. Mary's Paper and Algoma Steel, both located in Sault Ste Marie, Ontario.

Wisconsin Central Transportation Corporation acquired the railway from Algoma Central Corporation and formed a new corporate entity, Algoma Central Railway as a wholly owned subsidiary, and began operating February 1, 1995.

Algoma Central Railway now operates both freight and passenger trains year-round on its 476-km main line from Sault Ste. Marie to Hearst. The company also has a 42-km freight-only branch line from Hawk Junction on the main line to Michipicoten.

The company grew rapidly from 1995 to 1997, but the closure of Wawa Mines in 1998 was a financial blow, although the company does not believe the

situation will be fatal to Algoma Central, as there is growth potential in the transport of other commodities such as pulp and paper and other forest products.

Algoma Central Railway also operates two passenger services. A scheduled route is operated between Sault Ste. Marie and Hearst, Ontario. Prior to the passage of the *Canada Transportation Act*, this service was subsidized by the federal government. With the passage of the Act, a three-year contribution agreement was entered into whereby the federal government funds a portion of the line's losses. The Sault Ste Marie/Hearst passenger line has never recovered its operating costs, but losses have been reduced through an increase in ticket prices.

There is also an excursion train from Sault Ste. Marie to the Agawa Canyon from early June to mid-October, and a Snow Train excursion on weekends from late December to early March. With approximately 90,000 passengers annually, this service is profitable.

The railway's freight operations have been integrated into the Wisconsin Central system. Passenger trains still operate under the Algoma Central name.

Contract Settlement – Negotiated Provision

The following negotiated provision was the basis for this labour-management joint participation project:

“The establishment of a participatory process wherein local union and management committees will be empowered to resolve issues affecting the workplace locally, rather than decisions being made in the United States.”

The Algoma Central Railway unions and employees were concerned with their inability to resolve issues at a local level and with the ineffectiveness of their previous consultative arrangement, in which the president of Wisconsin Central Transportation was to visit Sault Ste. Marie and meet with the unions each

quarter. This proved difficult to accomplish with regularity, since the parent company was in the midst of an international expansion program that required the President's time and attention.

The bargaining committee chairman for the Associated Rail Unions and the vice-president of human resources for Wisconsin Central, asked the Employee Ownership & Incentives Association to help them devise a mutually beneficial approach to employee participation for inclusion in their new collective agreement.

All parties agreed that many of their problems and frustrations could be resolved if there was a genuine commitment by all to openly and frankly discuss the issues in a cooperative and participatory fashion. They acknowledged there were many issues suitable for resolving through a participatory process. These included the safety and health of employees; self-directed teamwork; work method improvement; promotion of inter-function understanding; involving the right people in decision making; focusing on customer requirements; the quality of tools and

equipment; an open door policy; improving employment opportunities; enhancing skills; quality of life issues; and recognition systems.

By dealing with these issues in a cooperative and consultative manner, there would be improved morale and productivity, which would in turn enhance job security and company viability.

The negotiators realized that joint participation could not be tightly defined in advance, and the best approach was to establish guidelines and principles for implementing participation in the workplace. The following is the distillation of their two days of collaborative effort.

"All parties recognize the benefit of the involvement of all employees in improving the workplace, its conditions, the quality of life of employees and the service to customers. In doing so, we have decided to engage in a participatory process by which employees can be actively involved with issues that they deem important."

Objective

To develop a safe, self-directed environment designed to improve customer and employee satisfaction through the cooperative efforts of all.

Guiding Principles

- ALL PARTIES are committed to fostering a participatory process designed to reach our objective.
- ALL PARTIES are committed to the principles of mutual respect and equality of contribution in this process.
- ALL PARTIES recognize their responsibility to support and follow up on the commitments made in the process.

Assurances

- The guiding principles for the participation of employees will:
- assure the maintenance of company and union values and structure;
 - not negatively impact job security;
 - recognize freedom of speech without fear of retaliation;
 - assure consistent rules for all participants;
 - respect the collective agreement and company policies;
 - provide for consensus decision making;
 - ensure that all ideas submitted are seriously considered and employees whose ideas are not implemented are told why.

The company commits to provide education and training for its people to ensure the support and successful implementation of the participatory process.

Statement of Work

Phase I

The consultants reviewed existing practices and attitudes, and undertook a needs assessment through:

- a) a visit to Wisconsin Central's Stevens Point facility to review existing practices;
- b) interviews with Wisconsin Central senior management to determine if there was sufficient management interest in developing employee involvement;
- c) separate interviews with Algoma Central Railway local management and unions to assess the existing relationships and determine areas of mutual interest.

After the interviews and meetings, a joint labour-management committee was established, composed of volunteers from each of the six unions and management.

The joint committee determined that they needed to better understand communications, business, and project development basics in order to prepare a company-wide pilot program in which they would help other employees and local managers learn how to analyze and pursue potential new productivity and market opportunities. The committee developed mutually acceptable guidelines and terms of reference for Phase I of the project based on company objectives and the terms of their collective agreement. They also prepared and distributed a one-page notice, which they sent to all employees at their homes and posted throughout the workplace – announcing the Joint Participation Program and identifying the committee members to all employees and managers.

Communications skills and business basics training specifically geared to the railway sector was designed and delivered to the Joint Steering Committee members by the consultants, incorporating expertise from within and outside the company. The objective was to pilot, test and adapt the training before introducing the company-wide participation program in Phase II.

As part of their preliminary training, the Joint Committee members organized themselves into four joint labour-management subcommittees according to

the operational areas in which they worked in order to identify and develop business proposals addressing a problem, issue or new opportunity in their area. The areas and their proposals were:

TRANSPORTATION – A proposal for *cost savings* – through better utilization of drinking water, including replacing an American supplier with a Canadian supplier, and better controls over water allocation.

MECHANICAL – A proposal for *new revenue* – by selling advertising space in the passenger cars.

TOUR TRAIN – A proposal for *improving customer satisfaction* – by building an upgraded catering facility at the tour train's Canyon Park destination.

TRACK MAINTENANCE – A proposal for *improving productivity* – by leasing more modern equipment that allows more track maintenance to be accomplished in the short season available.

Graduation Day

The consultants invited senior management and national union officials to attend a meeting at which each of the subcommittees presented their proposals. Positive reactions were received from each of the invited senior management and union officials, and the proposals were approved to proceed, with the exception of a request for the Track Maintenance team to further investigate financing options before proceeding.

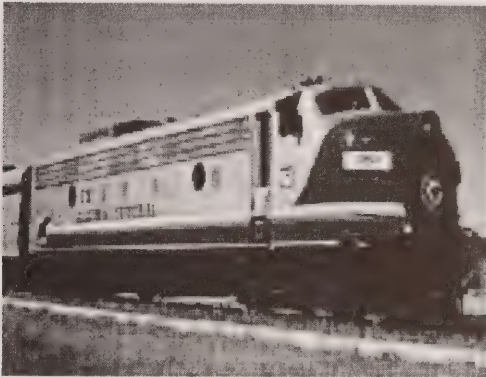
The Joint Committee and consultants prepared and distributed a second announcement to all employees communicating these results. A follow-up meeting with the consultants and the union representatives on the Joint Committee was held to evaluate employee reaction and plan for the next phase. The consultants also met with the senior management group to review the Phase I results, and solicit input for piloting a company-wide Joint Participation Program in Phase II.

Phase II

The Joint Participation Committee, was comprised of all the local senior managers and union representatives. Having had the opportunity to attend eight days of training, they were to carry on the

participation process and assist with the analysis and implementation of new ideas proposed by employees at Algoma Central Railway.

Suggestions proposed by members of the workforce were to be routed to the Joint Participation Committee, who would make a preliminary determination if an idea was suitable to proceed to a feasibility assessment and proposal. If accepted to proceed, one or more members of the Committee would work with the employee(s) to clarify their ideas.



The employees would also be permitted to take two days of training on paid time to learn the business basics necessary to determine if their ideas are feasible and an additional two paid days to develop a formal proposal.

New Project Proposals

During August and September 1999, the Joint Participation Committee continued to meet and worked on plans for introducing a company-wide Joint Participation Program, while trainers continued to work on a shorter version of the Phase I training material. Representatives of the company's six unions met to discuss the participation program and other aspects of the railway's circumstances. Several Participation Teams met to work on their projects.

On October 19, 1999, the Joint Participation Committee met with Wisconsin Central senior management to finalize the future of the Joint Labour-Management Participation project and determine how to proceed. The meeting concluded with a consensus that the Participation Program should continue and that the Committee would meet weekly. A pared down version

of the training program and recommendations for implementing the next phase of the project were to be prepared.

Addressing Union Issues

In February 2000, Wisconsin Central's CEO visited for the usual quarterly management meeting to review the current business results and the future prospects. The local union representatives were also invited in order to discuss the continuation of the Participatory Process.

According to the local union negotiators, they expected the participation program to focus only on their workplace issues, as they felt their role should be to participate only in contractual issues. Management was clearly interested in cost savings, productivity improvements and seeing employees demonstrate more individual initiative. Reviewing the company's recent downturn and business prospects helped the unions accept the program.

In exchange for their agreement to continue addressing cost savings and revenue-generating ideas with the participation program, a new labour-management committee was formed that would meet quarterly for roundtable discussions of the unions' workplace issues other than grievances.

The local union representatives decided that in return, they would agree to the establishment of a forum for labour and management to discuss ways to revitalize some business and reduce operating expenses.

There is an existing Safety Committee at Algoma Central Railway that holds regular scheduled meetings attended by the people on the Joint Participation Committee. It was decided that these meetings would have the Joint Participation Committee agenda added to the existing meeting, to most conveniently accommodate work schedules and move the participation process ahead.

New Participation Process

A problem with employee correspondence was discovered as the committee learned that many Algoma Central employees did not see (or did not read) the posters around the workplace encouraging their participation, or the notices mailed to their homes.

It was felt that it would require personal contact to inform employees of the initiative and motivate them to participate.

The Joint Participation Committee refined the participation process for submission and evaluation of employee ideas on productivity enhancement and/or new work opportunities using a combination of ideas from the training program and ideas from Algoma Steel, which they adapted to accommodate the characteristics of railroad work schedules, to operate as follows:

"We recognize the benefit of the involvement of all employees in improving the workplace, its conditions, our quality of life and the service to our customers."

1. Any employee wishing to submit a proposal must first find five people in the company who support the idea.
2. The employee can then present the suggestion to the Participatory Group committee, the members of which are to be called P-Class Representatives.
3. The P-Class Representatives assist employees developing project proposals, including a simple cost-benefit analysis of the project.
4. Once a proposal is completed it is presented to the Committee for review by the Participatory Group Committee.
5. It will either be passed on for approval or refused. Company managers have been given approval to implement the proposals as follows:
 - projects to \$500 can be approved by the stationmaster.
 - projects to \$1,000 can be approved by the division manager.
 - projects over \$1,000 will be reviewed by the vice-president of human resources of Wisconsin Central Ltd.
6. Each employee who submits a completed proposal will receive a day's pay for their time and effort. If the idea proceeds to implementation, the employee will receive an additional day's pay.
7. All proposals are returned to the originator with a written description of the reasons for acceptance or rejection.
8. The Committee has an accumulating budget of \$50 per month plus office expenses.

By April 2000, the Joint Participation Committee members felt they were ready to begin coordinating a Phase II employee participation process and delivering training to additional participants as needed.

Successful Outcomes

Joint Participation Projects

Two of the original projects developed and approved during the participation training pilot program have been fully implemented. One is a handsome new food service shelter built in Agawa Canyon, at the end of the Tour Train's run which is intended to improve customers' on-site eating experience.

Another project involved finding and leasing a specialized piece of equipment for the track maintenance crew to increase their output and reduce the time traditionally needed for the job. Manager Scott Woodward wrote on August 22, "We did get our auto anchor machines and they assisted us in improving production substantially. One of the machines works on both tie and rail gangs. The production gangs are doing quite well."

Another of the projects approved in the initial training program – the sale of advertising space on the walls of the Agawa Tour Train – lost momentum during the summer months. A Joint Participation Committee member is working on revitalizing the project. Instead of attempting to subcontract the advertising sales to a marketing agency, they plan to personally contact advertisers in the community to sell advertising space in the Tour Train. The original project team is also working out invoicing procedures and recommendations for allocating revenue earned from the project. The potential benefit from this new revenue source is \$15,000 per year, with a minimal one-time investment of \$1,260.00.

A Union-Initiated Proposal

The first proposal completed after the initial Phase I pilot program was prepared by members of the United Transportation Union and the International Brotherhood of Locomotive Engineers. The proposal was an alternative to the company's planned staffing changes at Hawk Junction, which would have merged jobs from two union jurisdictions into one. The proposal was initiated by the two unions in hope of finding a solution that would help them avoid filing a grievance. The proposal was initially presented in January of 1999, expanded, revised and implemented in September 1999.

Assessment and Recommendations

The groundwork has been put in place for expanding employee participation at Algoma Central Railway. In areas where there is a potential win-win solution, local union leaders have experienced the power of preparing a business case to reinforce their suggestions. Wisconsin Central senior management have also seen first-hand that employees are capable of making sound business assessments.

There have been several rounds of layoffs and there could be more, as Wisconsin Central management works to reduce costs to compensate for losing 30 per cent of Algoma Central Railway's revenue. Everyone at Algoma Central is aware, and legitimately concerned that if the financial picture doesn't improve, the parent company may eliminate more jobs.

These conditions make the timing inappropriate for aggressively pursuing a company-wide participation pilot program. If employees are dwelling on the unpleasant possibility of unemployment, there is very little likelihood they will be enthusiastic about improving company operations. Paradoxically, employee participation is one of the few ways they could hope to counteract the possibility of layoffs—by actively helping improve the business.

In its present circumstances, the company cannot afford to ignore potential contributions from those who are enthusiastic, but certainly should not try to push employees to participate. Employees must be self-motivated to become involved in a participative process.

In another region, the threat of job losses might be sufficient motivation to generate action, but in the region's constrained economy, which traditionally experiences major employment shifts, workers are more likely to see layoffs as inevitable, and accept their fate passively rather than undertake the difficult, challenging and time-consuming work of becoming informed and involved.

Until Algoma Central Railway achieves a degree of financial stability, it would be sufficient to make it known that any employee interested in contributing a suggestion will receive all possible support (as per the Joint Committee's recommended procedures). Naturally, all contributions should be publicly acknowledged. Even unusable suggestions demonstrate interest and should be treated respectfully and used as an educational opportunity to encourage future contributions.

The views and opinions expressed in this document do not necessarily reflect the position of the Labour Program, Human Resources Development Canada.

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ARBITRATOR BY LOTTERY – ALBERTA'S MINISTERIAL APPOINTMENT SYSTEM

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and
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Joint consensual arbitrator selection by unions and employers is one of the hallmarks of the Canadian grievance arbitration system. When a grievance is submitted to arbitration, it is expected that union and management representatives will discuss and eventually agree to the appointment of an arbitrator

While consensual selection of the arbitrator is the norm, from time to time the parties may be unable to agree to an arbitrator

mutually acceptable to both sides. Most commonly the selection of an arbitrator is approached on a case by case basis, although some collective agreements, such as the one between Canada Post Corporation and the Canadian Union of Postal Workers, may contain a pre-agreed roster of arbitrators from which arbitrators are assigned to individual cases.

While consensual selection of the arbitrator is the norm, from time to time the parties may be unable to agree to an arbitrator who is mutually acceptable for the case at hand, necessitating outside assistance. Most often such

assistance will be provided by the appropriate provincial or federal labour department, which will then appoint an arbitrator who the parties must accept. The appointing agency is usually designated within the applicable labour statute and such appointments often constitute an official appointment by the Minister of Labour 3 – hence they are frequently referred to within arbitration as “ministerial appointments”. For example, the Saskatchewan Trade Union Act states that “if the parties cannot agree on an arbitrator ..., either party may ask the Minister to appoint an arbitrator” (section 26 (4.1)).

Other appointing agencies are labour relations boards, conciliation and mediation services, and special administrative agencies specifically created for the task (as in British Columbia). The appointing agency then consults its list of arbitrators and decides which arbitrator to appoint. The development and composition of the arbitrator list, as well as the appointment of the arbitrator, is left to the discretion of the appointing agency. It will almost always contain the names of the most active and experienced arbitrators within the jurisdiction, but also may include political appointees and aspiring arbitrators. The arbitrator list may or may not

reflect formal input of the union and employer communities.

The province of Alberta's system for ministerial appointments conformed to the principles set out in the previous paragraph until 1994. In that year, an innovative new system was introduced that is unique to Alberta. It provides for a great deal of labour-management input into the composition of the list from which arbitrators are appointed and uses a “lottery” for selection of arbitrators from the list to particular cases. The purpose of this paper is: first, to describe the way the Alberta system works; and second, to discuss the advantages and disadvantages of the Alberta approach. Data for this paper are based on interviews with arbitrators and union and management representatives and information provided from Alberta Mediation Services, the appointing agency.

Previous Arbitration Appointment System

Under the system in place until 1994, there were 90 names on the arbitrator appointment list. The appointment process was under the auspices of Mediation Services in Alberta's Ministry of Labour. There were no established criteria for either being on the list or how

— The authors would like to thank Alberta Mediation Services for their cooperation in providing data for this paper. The authors assume sole responsibility for any errors or omissions.

an appointment from the list was to be made. Factors that were considered included geographic proximity, experience of the arbitrator, number of recent ministerial appointments, and any expressed preferences of the parties, the latter usually taking the form of individuals not wanted.

The list included the most active arbitrators in the province, but also included a number of individuals who were rarely consensually appointed. Many of the individuals on the list had little experience as an arbitrator. In fact, ministerial appointments were explicitly used as a vehicle for breaking in new arbitrators, although the officials responsible for appointments exercised discretion in an effort to ensure that inexperienced arbitrators were not appointed to cases of special significance to the parties. However, the potential seriousness of an arbitration case could not always be predicted in advance. There was no requirement of a training program before an aspiring arbitrator could be placed on the list.

The parties were reluctant to use the previous system, as they had little confidence in many of the individuals on the list. Requesting a ministerial appointment was perceived as a real gamble. Mediation Services officials estimated that they made roughly 90 ministerial appointments per year under the old system, a relatively small percentage of the total number of arbitration appointments in the province. There are no statistics kept on the total number of arbitration appointments per year. In the first half of the 1990s, an average of 165 arbitration awards a year were issued in Alberta. Arbitrators and

counsel estimate that three-quarters of scheduled arbitrations cancel. This suggests that there were approximately 660 arbitration appointments per year (i.e., the 165 awards represent one-quarter of the scheduled arbitrations; each scheduled arbitration means one arbitration appointment). Thus, ministerial appointments accounted for approximately 15 per cent of all arbitration appointments, under the previous system.

Development of the Current Appointment System

In response to concerns expressed by the labour-management community, Alberta Labour, (now known as Alberta Human Resources and Employment), created the Grievance Arbitration Roster Committee in 1993 with a mandate to examine and recommend changes to the existing system of ministerial appointments. The Committee consisted of representatives of major unions and employers, labour lawyers who acted on behalf of unions and employers, and three arbitrators. The Committee was chaired by an assistant deputy minister of labour. In looking at the system, labour and management argued that ministerial appointments be restricted to experienced arbitrators and that the appointment process be free from any perception of manipulation. Ministerial appointments were seen as a last resort for parties unable to agree to an arbitrator, not as a training ground for new arbitrators. The Committee concluded that past demonstrated acceptability as an arbitrator should be the key criterion for eligibility for future ministerial appointments.

Based on these considerations, the Committee undertook to develop a new list of arbitrators from which ministerial appointments would henceforth be made. The Committee designed a questionnaire that was sent to all individuals on the existing arbitrator list, inviting them to apply to be on the new list. The questionnaire asked applicants to provide information for the past five years on total number of arbitration awards issued, total number of consensual appointments, the number of different unions and employers who had appointed them, and any labour or management advocacy work. A total of 53 applications was received. A selection sub-committee was struck consisting of two representatives each from labour, management, and Alberta Labour. Meeting in camera the sub-committee accepted 21 of the applications. The successful applicants became the new list of arbitrators from which ministerial appointments were made. The previous list was scrapped. Of the arbitrators on the new ministerial list, all but one were lawyers. There were two women and no visible minorities on the list and all the arbitrators were based either in Calgary or Edmonton.

Of the many issues discussed within the Committee, the question of advocacy proved the most

Requesting a ministerial appointment was perceived as a real gamble.

contentious. Several generally admissible arbitrators acted as union or management counsel in labour relations matters (and in at

least one instance for both unions and employers). Notwithstanding that these individuals continued to receive consensual arbitration appointments, it was decided that advocacy work precluded ministerial appointment. It was reasoned that while the parties may knowingly agree to consensually appoint an arbitrator who performs advocacy work, it would be inappropriate for parties to be required to accept an arbitrator, through a ministerial appointment, who also served as a partisan advocate in labour-management matters. Such individuals were excluded from the new list. This exclusion did not extend however to individuals who acted on behalf of employees or employers in the non-union sector (i.e., in unjust dismissal cases). Several arbitrators were included on the ministerial appointment list who were active in the non-union employment sector in an advocacy role. Nor was it decided to exclude individuals who, while they themselves did no advocacy work, were members of firms which acted on behalf of unions and employers in labour relations matters. The Committee concluded, after much discussion, that such individuals could be included on the new ministerial appointment list. It should be noted that the National Academy of Arbitrators, the pre-eminent professional association of labour-management arbitrators in the United States (and to which approximately 40 Canadian arbitrators belong), exclude from membership individuals who belong to firms in which labour relations advocacy work is conducted on behalf of either unions or employers. Also ineligible for

membership are arbitrators who act on behalf of clients in non-union employment matters.

Selection of an Arbitrator from the List

The most innovative aspect of the new procedure was the actual method of selecting an arbitrator for a ministerial appointment. Under the old system, Alberta Labour officials exercised the discretion of who to appoint from the list to any particular case. The parties were sent one name. Under the new system, each selection is by lottery, based on a computer random number program. For any appointment, all names (there are currently 19) on the list are equally eligible, regardless of recent ministerial appointment history.

The most innovative aspect of the new procedure was the actual method of selecting an arbitrator for a ministerial appointment.

Either party may apply for the ministerial appointment of an arbitrator. Upon receipt of an application for a ministerial appointment, the computer program randomly generates the names of five arbitrators from the list. These five names are sent to the union and employer, each of whom has the right to strike one name within a 72-hour period. After 72 hours, the computer program selects one of the arbitrators from the remaining names. That arbitrator is officially

appointed to the case and must be accepted by the parties.

Interviews with labour and management representatives revealed that the right to veto one name from the five generated is almost always used. It is a way to ensure that an arbitrator who may be particularly objectionable, perhaps due to a recent adverse arbitration decision on a similar issue or a personality conflict, is not ultimately appointed to the case. On a more general basis, one labour lawyer indicated that his firm ranks the arbitrators from least to most acceptable and that the least acceptable arbitrator on the list is always vetoed. This task is performed by one of the firm's secretaries. Another labour lawyer told us that his firm always uses its veto in the expectation that the other side will also veto a name. By exercising his veto, he explained, the odds were increased that his preferred arbitrator would be selected from among the names originally generated.

Maintaining the Ministerial Appointment List

Since the new system was put into place on September 1, 1994, the list of arbitrators has been reduced from 21 to 19 names. Five arbitrators have been taken off the list and three added. Of the five removed from the list, four left because of an appointment as a judge and the fifth died. Of the three added to the list, one moved to Alberta from another province, one ceased doing advocacy work (thus removing a bar to eligibility), and a third, with many years experience, re-entered the arbitration arena after an absence of several years.

No one has been removed from the list involuntarily. The Committee established a review process that would be triggered in the event of either of the following:

- 1) an arbitrator has been vetoed by the parties more than 60 per cent of the time; or
- 2) a written complaint is received regarding the arbitrator's performance or compliance with the criteria.

In the event a review is triggered, an investigation will be conducted by Alberta Labour. In the case of excessive vetoes, the pattern of the vetoes will be examined to see if they are coming from one employer, union or law firm in particular or whether both unions and employers are objecting to the same individual. If a decision is made to remove an arbitrator from the list, the arbitrator may appeal the decision to the Alberta Labour Deputy Minister.

Use of the Ministerial Appointment System

The number of applications for ministerial appointments jumped dramatically when the new system was first introduced, increasing from approximately 90 appointments per year to over 300. Usage has dropped since then, but still remains at 200 appointments per year. By far, the vast majority of applications are initiated by unions, which have carriage of grievances. Table 1 sets out usage of the new system from 1994 to mid-2000 (data are based on fiscal years running from April 1 to March 30).

Table 1
Ministerial Appointments in Alberta, 1994-2000

<u>Fiscal Year</u>	<u>Appointments</u>
1994-1995	316
1995-1996	324
1996-1997	297
1997-1998	221
1998-1999	198
1999-2000	204

system, in the first three years of the new system, ministerial appointments may have accounted for as much as 45 per cent of all arbitration appointments in the province; by 1999 this had fallen to 40 per cent, but still a huge increase compared to the previous system. Indeed, ministerial appointments are now becoming nearly as frequent a source of new arbitration appointments as consensual appointments.

Perceptions of Unions and Employers

Both unions and employers agreed that the system is a significant improvement over the previous one. They viewed the selection process as well administered and efficient. They liked the feature of the veto, believing that it provided some control over the appointment process. Those interviewed believed that the number of arbitrators on the list was reasonable for a small jurisdiction like Alberta and were satisfied that the list included the most experienced and acceptable arbitrators in the province. It was suggested that substantially increasing the size of the list would reduce the confidence that an experienced arbitrator would be appointed, which was a major concern under the previous system. Our interviews showed, however, that even with this relatively small pool of arbitrators, at times the parties would find the initial five names generated so unacceptable that they would renew efforts to achieve a consensual appointment.

Union and employer representatives were unanimous that the elimination of outside interference in the appointment process was one of the strongest features of the new system. Using a lottery for each appointment insulated Alberta Labour from lobbying by the parties, politicians, or from other government departments. There was a strong sense that the system was fair and the method of selection transparent.

the right to veto one name from the five generated is almost always used.

Not only did the number of ministerial appointments increase, but ministerial appointments began to account for a significant proportion of all arbitration appointments in the province following the introduction of the new system. Since the early 1990s, the number of actual arbitrations in Alberta has declined steadily – from 157 cases in 1994 to only 120 awards in 1999. Extrapolating in the same manner as for the previous appointment

There was no better indication of the parties' confidence in the new ministerial appointment process than its voluntary use under statutes, like the *Universities Act*, which were outside the mandate of Alberta Labour and not legally subject to the ministerial appointment regime. Alberta Labour officials advised us that they periodically receive joint union-employer requests for an arbitrator under other statutes, the parties having agreed in advance to accept whichever arbitrator the random selection procedure chose. Even some appointments under the *Canada Labour Code* were handled in this manner. From a strict legal perspective, Alberta Labour could not appoint the arbitrator, only make a recommendation based on its usual selection procedures. It would then be left to the union and employer to formally appoint the arbitrator to handle their case.

The very success of the new system gave rise to two concerns. First, union and management representatives were unhappy about overuse of ministerial appointments at the expense of consensual ones. The efficiency of the system, its insulation from outside interference, the ability to veto at least one arbitrator, and its exclusion of inexperienced arbitrators meant that the parties often did not work very hard to reach a consensual arbitration appointment. Indeed, several unions do not even attempt to reach a consensual appointment, which can be time consuming, but apply immediately for a ministerial appointed arbitrator. The ministerial appointment process is used

like a roster of arbitrators written into a collective agreement. Management officials in particular believed that the reliance on ministerial appointments reduced communication between the parties and delayed settlement of grievances. There is a sense of unease on the part of both unions and employers that the decrease in the number of consensual appointments will prove harmful to labour relations in the long run. The decrease in the number of ministerial appointments since 1997 may be a response to this unease.

Second, the ministerial appointment process has reduced opportunities to develop new arbitrators. In the past, one of the ways aspiring arbitrators gained exposure was through ministerial appointments. Under the system now in place, ministerial appointments no longer serve as a mechanism for trying out potential new arbitrators. The list is restricted, at the request of the parties, to arbitrators who have already gained acceptability. Furthermore, unions and employers rely on the ministerial appointment list for consensual appointments. Individuals not on the list are almost invisible, making it unlikely relatively unknown arbitrators will receive consideration for consensual appointments. This makes it difficult, if not impossible, to get on the list.

Since the new system went into effect in 1994, the core of arbitrators has remained unchanged for a decade. The parties

have talked about the need for new arbitrators, particularly women, but have taken few active steps in that direction. Discussions about a training program for new arbitrators, combined with some mechanism for ensuring initial appointments, have been slow to translate into action.

Two other issues were raised by unions regarding the ministerial appointment system, neither of them unique to the system or to Alberta. Unions wanted to see some fee limitations built in to

the elimination of outside interference in the appointment process was one of the strongest features of the new system.

ministerial appointments and to require more expedited scheduling of hearings. Arbitration costs and delays are a widespread concern in arbitration generally and some provinces, for example under Ontario's expedited arbitration process, have taken steps to deal with these issues.¹ However, there has been little movement to change the Alberta ministerial appointment system, or the wider arbitration law, in a way that would control costs or expedite scheduling. Arbitrators have argued that delay could be significantly reduced if last minute cancellations could be controlled. They also point out that arbitrator fees are a small portion of overall cost of an arbitration.

¹ Claude Foisy (1998) "Is Arbitration Too Slow and Legalistic" in Margaret Hughes and Allen Ponak, *Proceedings of the 16th Annual University of Calgary Labour Arbitration Conference* Calgary, Industrial Relations Research Group.

Conclusion

Judged on its popularity, the Alberta approach to ministerial arbitration appointment has been a success. The exclusion of inexperienced arbitrators from ministerial appointments, the selection of arbitrators by lottery, and the right of each side to veto one of five proposed arbitrators have left unions and employers with

confidence that a ministerial appointed arbitrator will be a competent and unbiased arbitrator. Ironically, this confidence and lack of risk has led to such high use of ministerial appointments that they threaten to outstrip consensual ones. The restriction of the ministerial appointment list to experienced arbitrators has also made it difficult for new arbitrators

to become established. Nevertheless, it is worth stressing that the system was designed by the parties themselves under the auspices of Alberta Labour, is well regarded, and meets their needs. Should further changes become necessary, unions and employers have the means, as well as the experience, to make these changes.

RECENT RESEARCH AND DEVELOPMENTS IN COMPARATIVE INDUSTRIAL RELATIONS

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In recent years developments such as the evolution of the European Union and the North American Free Trade Agreement have generated supranational institutions whose decisions and debates have attracted increasing attention within the employment relations community. The activities of long-established international agencies such as the United Nations and the International Labour Organization have become more relevant because of the push for freer trade and the resultant demand by social groups for more effective multinational employment regulation. Keeping up with the rapidly expanding literature is a challenge for the busy professional. With a view to lightening that burden, in this article I will briefly review several recent notable books and place them in context.

One of the most interesting developments of the past decade has been the emergence of a global debate regarding the appropriate connection between trade and labour. Economists generally have argued that the two issues should be kept separate, but social activists have exerted increasing pressure for an international regime in which access to trade is contingent upon observance of core labour standards. Reacting to that pressure, members of the International Labour Organization voted in 1998 to adopt a Declaration of Fundamental Principles and Rights at Work. The Declaration obligated all member states to adopt policies protecting their citizens from forced labour, child labour and discrimination in employment. It also required them to promote freedom of association and provide for the "effective recognition of the right to bargain collectively."

So that the Declaration would not be dismissed as window dressing, the delegates established a follow-up procedure that required member states to file reports with the International Labour Organization regarding the status

of each right in their jurisdiction, as well as their plans for further advancing those rights. The procedure also required the International Labour Organization staff to review the current global status of the rights and issue an annual report on one category of them. The report for 2000, entitled *Your Voice at Work*, focuses on freedom of association and the effective right to collective bargaining. It contains useful charts demonstrating that collective bargaining coverage, implicitly the measure of compliance with the obligation to promote bargaining, is high in Europe (except for the United Kingdom) but generally low in the rest of the world. Moreover, due to forces unleashed as a result of globalization, both union membership density and collective bargaining coverage are receding. This widening "representation gap," the report notes, runs contrary to a global "wave of democratic political reform."

Although asserting that "it is important to close the representation gap that has developed in order to secure a voice for men and women in the changing world of work," the report fails to

recommend the obvious. It does not insist that International Labour Organization member states have a responsibility to adopt policies that will effectively close the gap in their jurisdictions. Nor does it propose that corporations have a concomitant responsibility to assure their employees of their willingness voluntarily to recognize and deal with whatever organization the employees should choose to form or join. Instead the report dispassionately notes that "despite the spread of democracy throughout the world, there is a considerable degree of unease with and even outright hostility towards trade unions." Indeed, instead of conforming to the global consensus by putting in place proactive policies of compliance, some employers continue to view unionization "as a sign of poor management" and human resource management as "a way to avoid independent collective representation by the employees."

The tripartite International Labour Organization is, of course, a very political organization that must somehow try to pursue its mission while not entirely alienating its most powerful constituents. Among the

latter are the United States and Britain, two nations with large and growing representation gaps. The United States is also a nation in which, despite its international support for core labour rights, union and collective bargaining avoidance is so entrenched that texts and other books on employment relations sometimes include, without embarrassment, spirited defences of the practice. One example of this phenomenon is contained in the volume *Nonunion Employee Representation*, edited by Bruce Kaufman and Daphne Taras (London, M.E. Sharpe, 2000).

By non-union employee representation, Kaufman and Taras mean schemes that "usually" are "created, structured, and operated by the employer. They are not independent labour organizations, but, instead, are one part of a firm's larger system of personnel/human resource management practices." In addition to essays on the history of the phenomenon in the United States and Canada, this volume includes a number of case examples. The editors also invited commentary on the phenomenon by trade unionists, employer spokespersons and policy makers. Comparative essays discuss practices in Germany, Japan, the United Kingdom and Australia.

In their concluding chapter Kaufman and Taras note that, in North America, one motive of firms that adopt non-union employee representation is nearly always the expectation that the plan will "help maintain their union-free status." Morally, the authors see no problem with that employer policy. Instead, in direct

contradiction to the international consensus affirming independent employee representation as a fundamental human right, they applaud it as part of a "high road, union-substitution strategy" under which employees have "opportunities for voice and involvement" that are "unobtainable at many other companies."

The success of American employers and academics in demonizing trade unions and collective bargaining as it is practiced in the United States is illustrated by the survey data in *What Workers Want*, by Richard B. Freeman and Joel Rogers (Ithaca, N.Y., Cornell University Press, 1999). In a representative sample of American workers they found that although 88 per cent of the respondents wanted a collective voice at work, only 25 per cent of the respondents "would choose union or unionlike organizations." About 45 per cent wanted "a strongly independent workplace organization" and another 43 per cent, not wanting to offend employer sensibilities, would be satisfied with "an organization with more limited

88 per cent of the respondents wanted a collective voice at work, only 25 per cent of the respondents "would choose union or unionlike organizations."

independence from management." Freeman and Rogers conclude that "a huge opportunity exists for America to increase the representation and participation of workers at their jobs and thereby improve

the quality of work." Not only workers but also politicians, trade unionists and employers would benefit by reforms aimed at giving workers what they want. The authors argue that "Political leaders will find potential votes for such reforms; unions will find scores of potential members; business will find a better and more loyal workforce."

It is an extraordinary aspect of human nature that good advice, firmly grounded, often goes unheeded. This appears to be one such case. Despite the soundness of Freeman and Rogers' proposals and despite the force of the International Labour Organization's Declaration of Fundamental Principles, the expansion of an independent voice for American workers is an issue that is all but absent from the political agenda.

The broad phenomenon of globalization and its impact on employment is the subject of *Globalization and Labour Relations*, edited by Peter Leisink (Cheltenham, U.K., Edward Elgar, 1999). This excellent volume contains chapters on the concept of globalization by Paul Hirst and Grahame Thompson and by Paul Du Gay, on the political economy of the firm by Jacques Vilroix, on the trade union response by Richard Hyman, and on the labour market impact by Jill Rubery. There are also chapters focusing on distribution by Leni Beukema and Harry Coenen, on the media by Peter Leisink and on the potash industry by Stephen Heycock. Rob Lambert contributes a chapter on Australia's recent experience.

The labour/trade nexus debate has heightened the visibility and relevance of the World Trade Organization to the employment

relations community. A useful book on the structure and operation of the organization as well as its political, social and environmental impact is *Whose Trade Organization?* (Washington, D.C., 1999). The volume is edited by Lori Wallach and Michele Sforza for Public Citizen, the non-government organization established by Ralph Nader to act as an independent watchdog on the establishment. Chapter 7, which is dedicated to "Human and Labor Rights Under the World Trade Organization," documents relevant developments and presents cases that illustrate why, in the judgement of the highly critical authors, the organization agreement needs a social clause. One case, for example, documents how the state of Massachusetts was ordered by a court to change a law it had passed terminating contracts with companies doing business with Burma (Myanmar) because of forced labour practices in that country. The Massachusetts law was found to have violated organization rules regarding government procurement.

Another recent volume addressing the trade and labour nexus is *Multinational Enterprises and the Social Challenges of the XX1st Century*, edited by Roger Blanpain (Kluwer, The Hague, 2000). This publication is actually number 37 of the Bulletin of Comparative Labour Relations. In recent years editions of the Bulletin have commonly focused on single issues, thereby taking on the appearance of a paperback book.

Here 22 essays address the emergence of codes of conduct, the International Labour Organization Declaration, the European Union's attempt to regulate companies operating in developing countries, and developments in the

Organization for Economic Cooperation and Development. In addition to the general essays, nearly all written by lawyers from a legal perspective, there are chapters on particular issues found in codes: child labour, discrimination, training, information and consultation and freedom of association. A useful annex contains examples of codes adopted by several multinational firms including Nike, the Body Shop and Levi Strauss. Another annex contains the International Labour Organization's 1998 Declaration on Fundamental Principles as well as its 1977 Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy and a copy of the Organization for Economic Cooperation and Development's Guidelines for Multinational Enterprises. Alas, the last document is of no more than historical interest since a new version of the guidelines available online at < www.oecd.org/daf/investment/guidelines/ > was adopted after this book went to print.

Among the useful recent publications on North America is *The Maquiladora Reader*, edited by Rachael Kamel and Anya Hoffman (Philadelphia, American Friends Service Committee, 1999). It contains an overview chapter of work in the maquiladoras and specific chapters on women, health and environmental issues and cross-border initiatives to improve working conditions. The final chapter, on the North American Free Trade Agreement and Beyond, is critical of both North American Free Trade Agreement specifically and of free trade in general. A vision is offered for a more people-oriented form of hemispheric development.

More specifically focused on the employment relations effects of recent global developments is *Converging Divergences: Worldwide Changes in Employment Systems* by Harry Katz and Owen Darbishire (Ithaca, N.Y., Cornell University Press, 1999). The authors assembled data from Australia, Britain, Germany, Italy, Japan, Sweden and the United States in order to test a number of contemporary hypotheses. Some analysts see increasing convergence and others, contrarily, propose that employment relations are becoming more diverse. Utilizing both general data and more specific information on the automobile and telecommunications industries, Katz and Darbishire argue that some of both is occurring.

Decreased unionization and increased income inequality are general trends. On the other hand, the authors find increasing variation in employment conditions within firms around four ideal types: low wage, human resource management, Japanese-oriented and joint team-based. That variation, in turn, is linked to a general trend towards decentralization of corporate decision making. Increasing variation is providing a challenge to unions that, in general, "do not like variation in employment relations." To survive and prosper, Katz and Darbishire believe that unions "will have to radically change their strategies by emphasizing the promotion of workplace change, education, training, and career development of their membership."

The title of Katz and Darbishire's book suggests that ambiguity rather than clarity is a keynote theme of contemporary developments. That suggestion is

supported by one of the conclusions of a recent volume published by the Institut des Sciences du Travail of the Université catholique de Louvain. Edited by a group headed by Armand Spineaux, *Trends in Agreements Relevant to Employment and the Labour Market* (1999) contains the "contradictory" finding that in Europe there was simultaneously a "resurgence in several countries of centralized agreements on employment hand in hand with 'organized decentralization' of bargaining..." Far from being rigid, they argue, "Europe's industrial relations systems are in a state of flux and constantly changing. This is a sign that the economic players are adapting their behaviour to the realities and restrictions of the moment."

The Trends volume was published at the same time as *The Institutional Framework and the Processes of Collective Bargaining* (1999) within the European Union. This companion volume provides a short and useful summary of collective bargaining along equivalent dimensions in the 15 member states.

One research question that continues to attract attention is that of the comparative impact on socio-economic performance of corporatism. Also known by other terms such as social partnership and neo-corporatism, corporatism implies considerable intervention in markets compared with greater dependence on freer, less-regulated markets. For the past several decades social partnership has been relied on widely in continental Europe, while the United States and more recently the United Kingdom have depended heavily on freer markets. In *Social Partnership and Economic Performance*, Bernard Casey and

Michael Gold (Cheltenham, U.K., Edward Elgar, 2000) report the findings of a study commissioned by the Austrian Federal Ministry of Labour, Health and Social Affairs on this issue. The assignment was to "assess the impact of forms of social partnership and social protection on the macroeconomic performance of nine member states of the European Union: Austria, France, Germany, Ireland, Italy, the Netherlands, Spain, Sweden and the United Kingdom." The authors also collected data on the United States.

After noting the difficulties with this sort of research (each country, after all, has its unique history and institutions), they reached some tentative conclusions. They suggest that a corporatism that is flexible and thereby capable of adjusting to new conditions (Ireland, Sweden and the Netherlands) has performed better recently than have the more rigid forms of social partnership (Germany and Austria). Institutionally, Austria and Germany have not changed very much in recent years, but Ireland, Sweden and the Netherlands "demonstrate certain common characteristics, namely moves towards what is sometimes called 'supply-side corporatism' as well as ordered deregulation and decentralization." The recent experience with specific "social pacts" is ambiguous, Casey and Gold believe: "Ireland's upturn followed the introduction of national understandings, but similar approaches in Italy and Spain have not yet borne comparable results."

To assess economic performance, Casey and Gold construct a composite indicator composed of growth, unemployment, inflation

and trade balance. On this scale both the United Kingdom and the United States have "generally performed well with market-oriented economies, although income inequality has worsened." On the other hand, the authors report that "both Austria and Germany have experienced a decline in performance since the 1980s."

A quick read of this book might lead one to form a negative view about the general performance of social partnership in recent years. But a careful look at Casey and Gold's data suggests that such a conclusion would be unwarranted. Of the countries in their sample, Austria, Sweden, the Netherlands, Germany and, in recent years, Ireland, score high on nearly all corporatist scales. The United Kingdom and the United States nearly always score low. The placement of the other countries – Italy, France and Spain – is somewhat problematic, although

a corporatism that is flexible and thereby capable of adjusting to new conditions has performed better recently than have the more rigid forms of social partnership

Italy and France rarely score high (see, for example, the discussion in C. Teulings and J. Hartog, *Corporatism or Competition?*, Cambridge University Press, 1998). Table 1 contains Casey and Gold's data. Although both the United States and the United Kingdom improved during the

Table 1
Economic Performance
in High and Low Corporatist Countries

High Corporatist		Low Corporatist	
Country	Score	Country	Score
1992-1997			
Austria	-4.8	United States	-6.8
Germany	-8.9	United Kingdom	-10.5
Netherlands	0.1		
Sweden	-5.4		
Ireland	6.0		
1979-1989			
Austria	-5.0	United States	-12.4
Germany	-4.0	United Kingdom	-14.4
Netherlands	-6.8		
Sweden	-8.1		
Ireland	-24.1		

Performance = growth-unemployment-inflation + trade balance. The higher the number, the better the performance.

Source: Casey and Gold (2000), Table 3.4a

Table 2
Income Inequality
in High and Low Corporatist Countries

	<u>Late 1970s</u>	<u>Late 1980s</u>	<u>Most Recent</u>
Austria	0.32	0.32	0.36
Germany	0.33	0.32	0.33
Netherlands	0.31	0.31	0.34
Sweden	0.27	0.26	0.31
Ireland	0.40	0.44	0.44
United States	0.38	0.43	0.48
United Kingdom	0.37	0.42	0.50

Source: Casey and Gold (2000), Table 1.3

1990s, they still did not perform as well as the corporatist group. All five social partnership countries outperformed the United Kingdom, and four of the five outperformed the United States.

Casey and Gold also collected data on income inequality as measured by Gini coefficients. This measure varies from 0, which implies perfect equality, to 1, which implies perfect inequality. Data for several countries are provided in Table 2. These data support the observation of Katz and Darbishire about the generality of growing income inequalities. They also indicate, however, that the gap between the rich and the poor is much greater in the market-oriented countries, where it continues to grow.

Books addressing industrial relations in the developing nations are always in scarcer supply than are those focused on the economically advanced nations. One recent volume that does address the situation in the less-developed areas of the globe is *Colonialism, Nationalism and the Institutionalization of Industrial Relations in the Third World*, edited by Sarosh Kuruvilla and Bryan Mundell (Stamford, CT, JAI Press, 1999). In the period after World War II there was a push for freedom by groups in what were then colonies of rich and powerful Western nations. Labour movements were prominently involved in the drive for independence. When that goal was achieved, the new nations had to find new roles for the labour organizations. The itch that this volume was initially intended to scratch was an urge to find out what had happened to these labour organizations since independence. During the 1950s and 1960s there had been a lot of

soul searching about what role the unions ought to play in the development effort. But studies seeking systematically to determine what, in fact, had actually happened were at a premium.

Establishing that theme was one thing, and easy enough to do. Finding capable and reliable researchers to get the job done was another. The result is an idiosyncratic book that wanders from the initial purpose. It contains chapters on South Africa (by Eddie Webster), India (by Valerian DeSousa), Malaysia (by Wesley Hiers and Ponniah Arudsothy), Mexico (by Alfredo Hualde Alfaro), Hong Kong (by Stephen Chiu and David Levin) and on the Commonwealth Caribbean (by Roy Adams, Noel Cowell and Gangaram Singh). This is not the best representative sample of nations from which to draw lessons about the impact of colonial institutions on contemporary employment relations. For example, Mexico achieved independence from Spain early in the 19th century, long before the labour movement made its appearance on the scene. South Africa also achieved independence prior to industrialization, and its development pattern is unique because of its struggle with racism. Hong Kong never did become independent but reverted, uniquely, from its status as a British colony to being a very special political division of Communist China. The mainstream pattern for employment relations in the colonial period and thereafter is seen best in India, Malaysia and the Caribbean, but developments in those areas can hardly be taken as representative

of all countries in which the scenario occurred. The absence of cases from Africa is especially unfortunate.

Despite its shortcomings, this book does have some strengths. Each of the authors follows a common framework, tracing the development of the labour movement from its inception and then attempting to delineate its current relations with employers and the government. Based primarily on the experience of India, Malaysia and the Caribbean, Kuruvilla and Mundell conclude that "colonial labour policy has had a fundamental impact on the institutionalization of industrial relations." Despite years of independence, "colonial labour policy has had an enduring impact."

Independence may have introduced radically different political governance, but institutions introduced by the colonizers have changed only slowly. For example, although several of the mini-states in the Caribbean continue using legal institutions modelled on those of Britain, some of them have moved towards the more deterministic regulatory system found in the United States and Canada. Alliances between labour unions—and political parties continue, with the parties attempting to limit the influence of the labour organizations. In Malaysia, post-independence governments have maintained and even strengthened the "strong tradition of state control over trade unions for purposes of economic development." The institutional framework

inherited by India has also persisted, although it has been under pressure lately from the competitive forces of neo-liberalism.

The analogy in South Africa of the anti-colonial drive was the anti-apartheid movement. Trade unions played a very prominent role in this movement — a much larger role, indeed, than is commonly realized. Since a multi-racial government has only recently achieved power, it remains to be seen how its relationship with the labour movement will develop over time. At present, the movement is among the most politically influential in the world.

It will be interesting to follow developments in Mexico and Hong Kong. The institutions of industrial relations in Mexico were developed by the Institutional Revolutionary Party, which held power continuously for most of the 20th century. Within that system there was a very close "state corporatist" relationship between the party and the mainstream unions, with the party dominant. Recently, however, the Institutional Revolutionary Party's presidential candidate went down to defeat, opening up the possibility of significant change. There has also been a major break with the past in Hong Kong. In 1997, that territory reverted to China, raising questions about the future of colonial institutions developed under British rule. Based on the experience of the other countries in this sample, one would expect changes to industrial relations systems in these economies to come about slowly.

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WORK AND FAMILY PROVISIONS IN CANADIAN COLLECTIVE AGREEMENTS

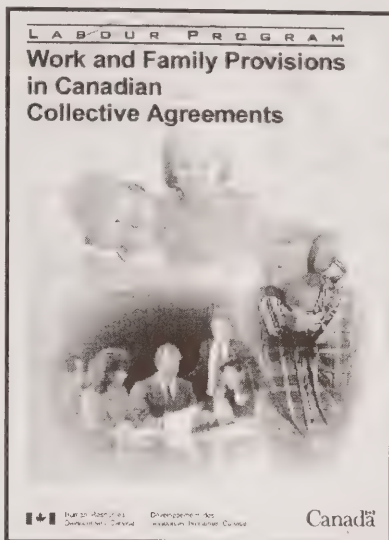
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Introduction

Work and family balance has become an increasingly important issue in the field of human resource management, eliciting a large body of research and abundant media coverage in Canada, the United States and other industrialized countries. Analyses have tended to focus on the ill effects of work-family stress, and their impact on individuals and employers. (Canadian Council on Social Development, 1999)

Transformations in the world of work and in family structures, rapid technological change, increased demands in the workplace, and the shift in employment relationships toward more precarious, "non-standard" jobs have resulted, for many workers, in additional stress and difficulty in balancing their responsibilities at work and at home. This is evidenced, for example, by the 1999 Conference Board of Canada's Survey of Canadian Workers on Work-Life Balance, which found that 46.2 per cent of workers (52 per cent of female workers) surveyed in 1999 felt a moderate to high amount of stress trying to balance their work and personal lives, up from 26.7 per cent 10 years earlier. (McBride-King and Bachman, 1999) In turn, this stress can affect the health, well-being and productivity of employees.

To address problems related to work and family conflicts, a number of family-friendly policies and practices have been developed and implemented in various workplaces. Interestingly, these can serve the interests of both employers and employees. Benefits



for employers can include an increased ability to attract and retain skilled employees; improved productivity, efficiency, and product quality; reduced staff turnover; lower levels of absenteeism and tardiness; improved employee health, morale, commitment and loyalty; increased return on training; and an enhanced corporate image, which may give a competitive edge.

Employees with family responsibilities can also benefit directly from workplace arrangements designed to help balance work

and family commitments, through reduced stress and anxiety; improved job satisfaction; enhanced family and personal life; increased ability to remain employed; enhanced capacity to be competitive in career advancement; and a greater sense of security.

Objectives of the Study

The study has been undertaken in the context of the federal government's commitment to "make workplace policies...of federally regulated employers more family friendly". (Speech from the Throne, 1999) Its main purpose is to examine to what degree provisions related to the balancing of work and family responsibilities have been considered in the context of collective bargaining. It identifies and analyses family-friendly provisions contained in major Canadian collective agreements. This involves a critical evaluation of the wording, the scope and the practical application of various clauses.

— Article summarized from the report "Work and Family Provisions in Canadian Collective Agreements", written by Charles Philippe Rochon under the supervision of Laurent Quintal, Labour Program, Human Resources Development Canada, December 2000, 172 pages.

The information is meant to help employers, unions, labour practitioners and researchers gain a better understanding of policies and practices conducive to the balancing of work and family responsibilities; identify some of the more innovative practices; assess the feasibility of implementing such arrangements in a variety of contexts; and discern some of the emerging bargaining priorities regarding this issue. The document should also inform a wider audience of the current issues and implications surrounding family-friendly policies and practices in Canada.

What are Family-Friendly Provisions?

In the context of the study, family-friendly provisions are defined as contract clauses contained in collective agreements which offer employees work arrangements – whether in terms of hours of work, leave or other support mechanisms – that can assist them in balancing the demands of work and family responsibilities.

But how is the concept of family to be understood? According to the Vanier Institute of the Family

Family is defined as any combination of two or more persons who are bound together over time by ties of mutual consent, birth and/or adoption/placement and who, together, assume responsibilities for variant combinations of some of the following:

- physical maintenance and care of group members;
- addition of new members through procreation or adoption;
- socialization of children;
- social control of members;
- production, consumption and distribution of goods and services; and
- affective nurturance – love. (Canadian Family FAQs)

This definition points to the wide diversity of family units, and the broad range of relationships among family members. The “traditional” nuclear family model of the father as sole breadwinner and the mother as homemaker now applies to a minority of households only. In the past decades, there has been a transition in family structures, characterized by various demographic trends: an increase in the proportion of

dual-earner couples and single-parent families, fuelled or reflected, as the case may be, by the growing workforce participation rate of women of all ages; a declining birth rate; and population ageing. More workers, particularly women, bear responsibility for providing care to other family members.

Family responsibilities are not restricted to raising children. They include caring for spouses/partners, elderly parents or relatives, and kin with disabilities, to mention but a few. Moreover, many workers, especially those belonging to the “sandwich generation,” must combine both child and eldercare responsibilities, providing assistance to various family members with different needs.

Why Analyse Collective Agreements?

There are many reasons for conducting an analysis of contract clauses found in collective agreements. First of all, the collective bargaining process still remains one of the principal means of regulating industrial relations in Canada. This is clear when it is considered that almost one third of Canadian workers are unionized and that their conditions of work are by and large governed by collective agreements. Secondly, it should be remembered that, historically, employers in non-unionized firms have often based their human resource policies on contract clauses appearing in collective agreements. Likewise, federal and provincial legislation respecting employment standards and occupational safety and health have in many instances been inspired by practices stemming from the collective bargaining process. Thirdly, although provisions appearing in collective agreements are generally the result of a compromise, and must therefore be interpreted with caution, it is nevertheless possible to discern some union and employer priorities regarding the working conditions of employees in general, and the issue of work and family balance in particular. Finally, the comparison of collective agreements in various sectors and for different job categories also gives an indication of specific needs in a variety of contexts (i.e., different occupations, industries, etc.). In short, the analysis of collective agreements offers an important source of information.

Methodology

The study is based on contract clauses found in *major Canadian collective agreements*, defined as collective agreements covering more than 200 employees in

sectors under federal jurisdiction or more than 500 employees in sectors under provincial jurisdiction. Relevant provisions were identified and statistics compiled by means of the Workplace Information Directorate's *Collective Agreement Information Retrieval System* database as well as the *NEGOTECH*, an electronic document dissemination system which includes contract summaries as well as full-text collective agreements. A large sample of the roughly 1,100 major agreements available at the Workplace Information Directorate's library was also analyzed. In all, over 400 major collective agreements were identified and studied, many of which are quoted and listed in the full report.

Comments on the Scope of the Study

Some inherent limits with respect to the scope of the study should be kept in mind.

- Only contract clauses contained in major collective agreements have been examined: this excludes informal agreements and practices, employer policies that are not within the purview of collective bargaining, and contracts applying to small bargaining units only. This also means that no interviews or research in additional sources was done at this time in the context of the project.
- Since unionized workers tend to be concentrated in some economic sectors more than others, collective agreements from the public, transportation and manufacturing sectors tend to be over-represented compared with their relative size in terms of employment. To compensate for this, special efforts were made to study agreements in other sectors also.
- Although virtually all clauses in a collective agreement can have an impact on workers' work-life balance, the study has been circumscribed to provisions clearly linked to the balancing of work and family responsibilities, as recognized in the existing literature. This means that contract clauses pertaining to wages, job security, and technological change, although certainly crucial to the economic welfare of families, had to be disregarded. So were some provisions, such as education and sabbatical leave, which may contribute to an employee's work-life balance, but which are not necessarily family related.
- Numerous contract language examples are provided in the full report to illustrate standard as well as more innovative arrangements. However, these

examples are not meant to provide an exhaustive list and due to size constraints, not all clauses found in the research could be reprinted in the report. A selection was made to highlight different elements or to provide contrasts in contract language. Of course, further research and analysis might conceivably identify additional provisions of interest.

- The collective agreements that were analyzed were those currently available at the Workplace Information Directorate's library. Although efforts were made to consult the most recent agreements, there may be instances where they have been superseded by recently negotiated contracts that had not been received in printed or electronic format when the research was conducted. However, only agreements in force on or after January 1998 were analyzed.
- Although quantitative data has been included – when available – the study is based primarily on qualitative research, with contract language from major collective agreements as the main source of information.

Legislative Context

Provisions in collective agreements often mirror, or are at least influenced by existing legal requirements, as set by labour or employment standards legislation. Although outside the scope of the study, labour relations legislation may also have a significant, albeit indirect, impact on collective agreement clauses, inasmuch as it affects the relative bargaining strength of the parties. This is why the legislative context must be taken into account to properly consider and assess the significance of contract clauses.

A complication in the Canadian context is the fact that Labour is a shared federal-provincial responsibility. The federal government, through the *Canada Labour Code*, regulates a number of sectors, including telecommunications, interprovincial and international transportation (trucking, railways, airlines, longshoring), banking, uranium mining, and Crown corporations, not to mention its own employees. It should be noted that only Part II of the *Canada Labour Code* (Occupational Health and Safety) applied to federal public servants. Less than one in ten Canadian workers are covered by the federal jurisdiction. In turn, the ten provincial and three territorial governments are responsible for labour legislation covering the balance of employees in their respective jurisdictions. This means that 14 distinct

labour codes exist across Canada, each with its own particularities, reflecting regional economic and socio-political realities as well as the ideological leanings of current and former governments.

Where appropriate, a description and comparative analysis of pertinent legislative provisions is provided in the study's subsections. This is meant to give the

reader an overview of the context within which collective agreements have been negotiated, rather than a comprehensive and detailed legal analysis. Readers who wish to learn more about Canadian labour law should consult documents prepared by the Labour Program's *Labour Law Analysis* unit, which are available on its Web site (Canadian Labour Law Information).

Organization of Study

The study consists of five chapters, each dealing with a particular category of provisions:

- I organization of working time;
- II maternity, parental and adoption provisions;
- III other leave and vacations;
- IV child care;
- V employee benefits.

In the full report, each chapter shows examples of contract language found in major Canadian collective agreements and contains detailed analyses. Also included are statistical charts, to illustrate some trends in collective bargaining for the decade spanning the years 1988 to 1998. Where appropriate, a description and comparative analysis of labour standards in the 14 Canadian jurisdictions is presented in order to provide the legislative context within which specific family-friendly provisions have been negotiated. Following is a general outline of the various chapters.

Chapter I

The focus is the organization of working time. The chapter is divided into five sections, each dealing with a particular subset of collective agreement provisions.

- The first section pertains to overtime and addresses two basic issues: the right to refuse overtime work and time-off arrangements in lieu of overtime pay. First, some collective agreements clearly recognize the employee's right to accept or refuse overtime. However, in some cases, emergency situations, operational requirements and management discretion limit or override the employee's right to refuse. Second, many agreements allow for time-off arrangements to compensate for overtime work. In each case, certain restrictions may or may not apply.

- The second section deals with the issue of scheduling and includes a variety of clauses pertaining to minimum rest periods, maximum consecutive days of work, Sunday work, consecutive days off, limits to split shifts, notice of shift change, shift trades, and preferential shifts or working arrangements for older workers and long-service employees. Such provisions protect employees from overwork and provide a certain level of stability, as well as flexibility, allowing for a healthier and more balanced approach to time management.

- Closely related to the issue of scheduling is the third section,

which deals with flexible work time provisions, including flextime, compressed work weeks and annualized hours. While these arrangements do not usually affect the total number of hours worked, they give employees more control over the distribution of time spent at work and time spent on other activities, such as caring for children or parents, performing other family-related duties and engaging in leisurely pastimes.

- The fourth section pertains to provisions allowing employees to reduce their working time. This can be accomplished in a variety of ways, most notably through part-time employment, partial leave, gradual retirement and job-sharing arrangements.

- The fifth and final section looks at telework (or flexplace) provisions which provide employees with the possibility of fulfilling their work duties at home. Despite the potential benefits of such an arrangement, very few of the collective agreements studied contain provisions allowing for this relatively new form of work.

Chapter II

Chapter II focuses on maternity, parental and adoption leaves as well as other provisions that are

pregnancy related, including issues such as health and safety provisions for pregnant women. The chapter is broken into three sections examining a) maternity leave, b) parental, paternity and adoption leaves, and c) reproductive health issues in detail.

- The first section looks extensively at maternity leave provisions in collective agreements across Canada. Issues analyzed include legislative standards; anti-discrimination provisions; eligibility and notification requirements; start and end dates; duration of leave, including options to extend; benefits available to employees on leave; job and benefit protection both during and after leave; and leave for interrupted pregnancies.
- The second section discusses parental, paternity and adoption leaves and looks at eligibility and notification requirements, start and end dates, length of leave, seniority retention and accrual, availability of parental benefits such as supplemental unemployment benefits and different types of paternity leave available.
- The third and final section looks at workplace safety for mothers and their newborn babies. This section examines the availability of reassignment and/or withdrawal from work options should it be determined that the workplace poses a risk to the health of the mother or fetus. This section also looks at clauses addressing specific workplace health hazards for pregnant women, such as video display terminals and infectious diseases.

Chapter III

Chapter III takes a look at family-related leave provisions in collective agreements, showing some of the arrangements agreed upon by labour and management to make the workplace more productive and family-friendly. The chapter is broken into four sections dealing with, respectively, family and health care leave, leave for major family and life events, leave for personal reasons, and finally vacations and statutory holidays.

- The first section looks at the language used in the agreements, length of different types of leave and provisions relating to family and health care leave. Topics discussed range from general family care to leave for family violence. The section also examines the different restrictions placed on eligibility for leave and whether the leave is paid or unpaid. Also discussed is the extension of the definition of "family" and "immediate family," particularly in areas such as leave for family appointments and eldercare.
- Section two looks at major family and life events: events that have a significant impact, either positive or negative, on employees' lives, and that may need to be accommodated. Topic areas include court leave, convocation/graduation leave, marriage leave, bereavement leave, religious leave, leave due to spousal relocation and leave for change of residence.
- Personal reasons leave is the subject of section three. The section looks at short-term, long-term and general personal leave and analyses in depth "pre-paid" or "deferred salary" leave plans.

- Section four examines some "family-friendly" aspects of provisions related to vacations and statutory holidays. The section looks at spousal coordination of vacation times, splitting of vacations (particularly if they can be taken in one-day increments), extensions to vacation time and rescheduling in case of conflict. Also included under this heading are floating holidays and the "Family Day" statutory holiday found in Alberta legislation. The main focus of the analysis is on the terms and conditions of the leave.

Chapter IV

The fourth chapter deals specifically with provisions regarding child care services. It contains three sections, examining workplace child care facilities, financial subsidies and funding for child care, and joint union-management committees.

- The first section presents and analyses contract clauses concerning child care facilities. Although they tend to be scarce, such provisions, which differ significantly in terms of language, tend to give rise to a variety of arrangements, depending on the agreement.
- Child care assistance programs, in the form of subsidies to employees and child care funds, are described in the second section.
- Section three examines joint union-management committees dealing with child care. A number of clauses demonstrate the role of such committees as working groups established to conduct studies on the child care needs of employees and to propose

solutions. But they may also function as a consultative forum or as organized means to build community partnerships.

Chapter V

The fifth and final chapter of the study looks at employee benefits. This part of the study considers only employee benefits that are extended to dependents or that have a direct impact on family members. The extent of benefit coverage (who is covered, under what circumstances) as well as a number of innovative clauses pertaining to assistance programs and non-medical benefits are analyzed.

- The first section of the chapter takes a look at different circumstances in which an employee and dependents may be eligible for coverage. This section takes a look at the definition of "dependents," extension of benefit coverage to same-sex partners, benefits for surviving spouses and dependents, coverage of divorced or separated spouses and benefits for retired employees. There may also be special cases where an employee and dependents may be eligible for coverage such as single-parent part-time employees or women using a shelter. This section looks at contract language in the agreements and what it means for employees.
- The second section examines other non-medical benefits that are offered to employees and their dependents such as moving and relocation assistance, ultimate removal assistance, legal services, tuition and scholarships, discounts for family members and access to a telephone.
- The third section looks at a number of assistance programs for employees and their dependents. Under this section several services are analyzed, such as counselling services, para-medical services, access to nursing services and medical transportation, as well as substance abuse and employee/family assistance programs.

Key Findings

There currently exists a large variety of provisions in major Canadian collective agreements which are conducive to the balancing of work and family responsibilities.

Such provisions can be beneficial to both employees and employers. However, in each case, there can potentially exist some inherent drawbacks that need to be considered and addressed by all parties concerned before specific policies can be adopted and implemented. Some arrangements may not meet the needs of all employees. Similarly, they may not coincide with the wider agendas of the union or the employer. Moreover, particular sectors or industries can vary in their capacity to accommodate certain family-friendly policies. In other words, not all family-friendly provisions are feasible and practicable in every context.

The provisions examined often reflect a compromise of the union's and the employer's respective interests and objectives, as mediated through the collective bargaining process. More often than not, they represent, on the one hand, employees' desire to improve the quality of their lives by allowing for a better balance between family and work commitments and, on the other hand, employers' wishes to improve productivity, quality, customer satisfaction and profitability.

Some family-friendly provisions represent potentially complex arrangements and, consequently, require an awareness of their many implications by all parties concerned.

Clauses found in collective agreements sometimes outline only general principles and guidelines regarding particular workplace arrangements. Specifics may have to be determined by the parties – usually by means of a joint union-management committee – outside the confines of the collective bargaining process.

Although language in collective agreements often mimics labour standards, there is still substantial room for employers and unions to innovate by providing arrangements and benefits that are not covered by legislation. There often appears to be a recognition among negotiating parties that there is a need to go further than legislative requirements. This also demonstrates that the collective bargaining process still has an important role to play in the establishment of family-friendly practices.

Although all related to work and family issues, the arrangements analysed in the study can affect employees differently depending on what stage of their life they have reached, and may even be consciously geared to particular groups of workers, for example, expectant mothers and parents with young children. Nonetheless, a family-friendly provision need not accommodate only the needs of relatively young employees; middle-aged and older workers may also benefit from policies and practices designed to balance work and family obligations, such as flexible working arrangements, support for eldercare and pre-retirement vacations.

Several clauses that are designed to help employees with family responsibilities can also benefit other workers in achieving greater work-life balance. Flexible schedules and leave for personal reasons are cases in point. In this sense, the interests of employees with and those without family obligations are not always opposed—they may even be congruous. This means that attempts by unions and employers to improve the working conditions of employees with family responsibilities should not be viewed as a zero-sum game, where gains by this group are made at the expense of another.

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SELECTION OF RECENT CHANGES IN CANADIAN LABOUR LAWS

Adopted Bills, Regulations and Other Statutory Instruments

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New Brunswick: An Act to Amend the Employment Standards Act; Bill 21; Assented to December 20, 2000

This Act has brought a number of amendments to the *Employment Standards Act*. The most important amendments are as follows:

- The minimum vacation for employees with eight or more years of continuous employment with an employer has been increased from two to three weeks per year or a proportional period based on the number of months worked during the vacation pay year. Employees with less than eight years of continuous employment with an employer must still be given a minimum vacation of two weeks, or one day per month worked during the vacation pay year. They are also still eligible to receive an amount equal to 4.0 per cent of wages earned in the vacation pay year, whereas employees with eight years or more of continuous employment must be paid 6.0 per cent, at least one day before a vacation begins.
- The maximum child care leave (i.e. parental leave) that may be requested by an employee upon the birth or adoption of a child has been increased from 12 to 37 consecutive weeks. This leave can be shared between both parents. The combined period of maternity and child care leave for the same birth, whether shared or not, may not exceed 52 weeks. It should be noted that provisions that previously allowed an employee, subject to some conditions, to extend a child care leave for up to five consecutive weeks (i.e., if a new-born or adopted child suffered from a physical, emotional or psychological condition requiring parental care) have been repealed.
- Upon request, an employer is required to grant an employee up to five days of unpaid sick leave per year if the employee has been in his/her employ for more than 90 days. The employer can require that an employee provide a medical certificate if a sick leave of four or more consecutive days is requested.
- Upon request, an employer is required to grant an employee up to three days of unpaid family responsibility leave per year. This applies to responsibilities related to the health, care or education of a person in a close family relationship with the employee.
- An employer is required to grant an employee unpaid court or jury duty leave. This applies when an employee is called for jury selection, required to serve as a juror, or is served with a summons to appear as a witness. An employer who grants court or jury duty leave with pay may require that the employee reimburse him/her any amount received as a jury or witness fee, with the exception of sums received for travel, meal or accommodation expenses.
- The maximum unpaid bereavement leave that must be granted to an employee upon the death of a person in a "close family relationship" with the employee has been increased from three to five days. The bereavement leave provision does not refer anymore to specific relatives (i.e. child, parent, spouse). Likewise, there is no longer a separate category – with a shorter leave duration – for more distant relatives (which previously included siblings, grand-parents and in-laws).
- As has been the case for employees who are granted vacation, bereavement or child care leave, those who take sick leave, family responsibility leave, or court or jury duty leave, in accordance

with the Act, are protected from dismissal, suspension or lay off when such disciplinary action is based on reasons arising from the leave alone. Furthermore, as well as retaining and continuing to accrue seniority, employees are now deemed to have been continuously employed with the same employer during the leave of absence.

This Act came into effect on December 31, 2000.

Ontario: *Labour Relations Amendment Act (Construction Industry)*, 2000; Bill 69 Assented to December 4, 2000

This Act contains amendments to provisions of the *Labour Relations Act*, 1995 dealing specifically with the construction industry.

Amendments contained in the Act concern what consideration is to be given by the Ontario Labour Relations Board to family relationships and key individuals in applications under the "related employer" and "sale of the business" provisions of the Act where one of the entities is an employer with which a construction trade union, council of construction trade unions or affiliated bargaining agent or employee bargaining agency has bargaining rights with respect to construction work.

New sections apply with respect to work in the residential sector of the construction industry in the City of Toronto, the regional municipalities of Halton, Peel, York and Durham and the County of Simcoe. These sections provide for the following:

- All collective agreements that are to expire before April 30, 2004 and that apply to residential construction work, in the above-cited areas, are deemed to expire with respect to that work on April 30, 2001. They are to expire every three years from that date. Normal collective bargaining procedures remain in place, except as mentioned below.
- For the 2001 round of bargaining only, a strike or lockout is prohibited after June 15, 2001. If no agreement is reached by that date, the matters in dispute may be referred to binding arbitration by either party. The parties may jointly appoint an arbitrator and agree on a method of arbitration (i.e., mediation-arbitration, final offer selection or any other method). If the parties cannot agree on an arbitrator or on a method of arbitration, at the

request of either party, the Minister of Labour will appoint an arbitrator and the method of arbitration will be prescribed by regulations.

Under a new section of the Act, the Lieutenant Governor in Council may make a regulation deeming bargaining rights held by an employee bargaining agency and its affiliated bargaining agents to be abandoned with respect to an employer or a class of employers in the industrial, commercial and institutional sector of the construction industry. The regulation may apply to all or part of Ontario. This new section is scheduled to be repealed one year after it comes into force.

New provisions deal with a process for local amendments to provincial collective agreements to remove any competitive disadvantage in the industrial, commercial and institutional sector. An employer bargaining agency or a designated regional employers' organization may apply to an affiliated bargaining agent to agree to amendments to the provincial agreement with respect to certain kinds or all kinds of work performed by employees represented by the affiliated bargaining agent, certain markets or all markets in the sector and certain locations or all locations within the geographic jurisdiction of the affiliated bargaining agent. No application may be made during the period of 120 days before the provincial agreement ceases to operate. The application may seek only amendments that concern specified matters (e.g., wages, including overtime pay and shift differentials, hours of work, accommodation and travel allowances, etc.). An interest arbitration procedure is provided if the parties are unable to agree on amendments. If the arbitrator finds that the provisions of the provincial agreement render employers who are bound by it at a competitive disadvantage, the final offer selection method will be used. These arbitration provisions apply only with respect to provincial agreements that come into operation after December 16, 2000 (i.e., those agreements that will take effect after April 30, 2001).

In addition, a new section, that has not yet been proclaimed into force, will permit an employer who is bound by a provincial agreement to elect to have certain provisions set out in that section deemed to be included in the provincial agreement. These provisions will permit the employment of specified percentages of employees without going through the normal local union hiring hall process when fulfilling a contract for construction in the industrial, commercial and institutional sector of the construction industry.

The election may be made with respect to one or more, or all of the construction contracts under which the employer uses employees who perform work under the provincial agreement. The parties to a provincial agreement may agree that the employer will not make the election or that one or both of the percentages set out in those provisions will be lower. A strike or lock-out will not be permitted because there is a failure to reach an agreement on these issues (i.e. those relating to the percentages of employees). It will also be possible for the parties to agree to higher percentages.

Unless otherwise indicated, the amendments described above came into force on December 16, 2000.

**Ontario: *Employment Standards Act, 2000*; Bill 147
Royal Assent December 21, 2000**

This Act will be proclaimed on a date to be set by the government, except for the provision extending parental leave that came into force on December 30, 2000. The Act will repeal and replace the *Employment Standards Act*, which establishes minimum terms and conditions of employment. It will also repeal certain related employment law statutes, such as the *Industrial Standards Act*.

Most of the existing employment standards that are found in the *Employment Standards Act* are also contained in the *Employment Standards Act, 2000*. However, almost all of the provisions have been reworded in an attempt to make the new legislation easier to read and understand. Numerous administrative and housekeeping changes have also been made.

In a few cases, there are significant differences between the provisions of the *Employment Standards Act, 2000*, and those of its predecessor. Changes include the following:

- An employer will be required to post in at least one conspicuous place in every workplace under its control material prepared by the Ministry of Labour describing the rights of employees and obligations of employers under the Act.
- Employers will be permitted to pay wages by direct deposit into an employee's account if it is in a financial institution whose office or facility is located within a reasonable distance from the work location (or another institution with the employee's agreement). It will also be possible to provide

statements of wages by electronic mail rather than in writing if employees can make a paper copy. The Act will provide that an otherwise proper deduction is invalid if it is required to be remitted to a third person and this was not done. The amount of wages having priority over the claims of all other unsecured creditors of an employer will be increased from \$2,000 to \$10,000 (the legislation will continue to specify that this does not apply with respect to a distribution made by a trustee under the federal *Bankruptcy and Insolvency Act*).

- Employers will no longer be required to obtain permits from the Ministry of Labour for homeworkers, but will still have to maintain a register of homeworkers employed. Such records will have to be retained for a period of three years after a homemaker ceases to be employed by the employer.
- The establishment of longer daily and weekly working hours than those prescribed or approved under the Act will be allowed without requiring, as was the case under the previous legislation, a permit from the Director of Employment Standards. Employees will have the right to refuse to work in excess of eight hours in a day (or the employee's regular work day – as established by the employer – if it is more than eight hours) or 48 hours in a week. The Act will also allow revocable agreements between employers and employees permitting the latter to work further hours up to a maximum of 60 hours (or such other number of hours prescribed by regulation) per week. The system requiring a permit from the Director of Employment Standards for hours of work in excess of those prescribed or approved under the Act will be eliminated.
- Employers will be required to allow employees specified daily and weekly rest periods: at least 11 hours per day (except for on-call employees), at least eight hours between shifts (except if the total time worked on successive shifts does not exceed 13 hours or an employer and employee agree otherwise), and at least 24 consecutive hours per work week or at least 48 consecutive hours in each period of two consecutive work weeks. Both the limits on hours of work and the requirement to provide a period free from performing work will be subject to an exception in emergency situations. Moreover, the part of the new Act dealing with retail business establishments will no longer specifically provide for at least 36 consecutive hours of rest per seven-day period for retail employees.

- The Act will continue to require a 30-minute meal break, but, if the employee agrees, will allow this to be broken into two eating periods that together total at least 30 minutes in each five-hour period.
- Overtime will generally remain payable after 44 hours of work in a week. However, an employer and an employee will be able to agree to average hours of work over a period of up to four weeks for the purpose of determining any overtime pay. An averaging agreement will not be valid unless it provides for an expiry date; in the case of a non-unionized employee, its duration may not exceed two years, although it may be renewed. No such agreement may be revoked before it expires, unless both parties agree. The employer and the employee will also be able to agree that the latter be compensated for overtime hours by taking paid time off work at time and a half instead of overtime pay. The paid time off work will have to be taken within three months of the week in which the overtime was earned or within 12 months if the employee agrees.
- Qualifying conditions will be eliminated for public holidays, with two exceptions. First, an employee will have to work his/her regularly scheduled shifts before and after the holiday in order to be entitled to pay for the public holiday. Second, an employee will not be entitled to public holiday pay if he/she had agreed to work on that day and then failed to do so. Neither exception will apply where the employee had reasonable cause for not working. The amount of public holiday pay will be equal to the total regular wages and vacation pay payable to the employee in the four work weeks prior to the work week in which the public holiday occurred, divided by 20 (or another method of calculation, if prescribed by regulation).
- The minimum annual vacation will continue to be a two-week period or two periods of one week each; however, the vacation may be taken in shorter periods if the employee makes a request to that effect in writing and the employer agrees to it. In the latter case, the number of vacation days to which an employee is entitled will be based on the number of days in his/her regular work week or, if there is no regular work week, on the average number of days worked per week in the four months immediately preceding the first day of vacation.
- Pregnancy leave provisions will be adjusted to allow leave to start on the day of a live birth if it is earlier than 17 weeks before the due date. Except in instances of constructive dismissal, an employee who takes pregnancy leave may not terminate her employment before the leave expires or, when it expires, without giving the employer at least four weeks' written notice of the termination.
- Parental leave duration has been increased for employees whose child was born or first came into their care, custody and control on or after December 31, 2000, and who have been employed by their employer for at least 13 weeks. These employees are now entitled to 35 weeks of parental leave, if they have also taken pregnancy leave, or 37 weeks if they have not (compared to 18 weeks previously). An employee may begin parental leave no later than 52 weeks (previously 35 weeks) after the day the child is born or comes into his/her custody, care and control for the first time. However, an employee who has taken pregnancy leave must still take pregnancy and parental leave consecutively, unless the child has not yet come into her custody, care and control. Except in instances of constructive dismissal, an employee who takes parental leave may not terminate his/her employment before the leave expires or when it expires without giving the employer at least four weeks' written notice of the termination.
- The new Act will also provide for up to 10 days' emergency leave a year for an employee whose employer regularly employs 50 or more employees. This leave without pay may be taken because of personal medical reasons, the death, illness or injury of a child, spouse, same-sex partner, parent, grandparent, grandchild, sibling or of other specified relatives, or an urgent matter concerning any of these individuals.
- The wording in the notice of termination and severance pay provisions of the previous legislation was revised to improve clarity, and new definitions (e.g., what constitutes a temporary lay-off) have also been included. An employee who is on temporary lay-off may no longer be considered to have had his/her employment terminated merely because he/she was not provided with a recall date at the time of lay-off.

- The Act will provide for a new general anti-reprisal provision, which can be enforced by an employment standards officer, who may order that an employee be reinstated and/or compensated. (In the previous Act, the general prohibition against reprisals could only be enforced through prosecution). Officers may also issue a notice of contravention against an employer where a violation is found concerning an employee who is not represented by a trade union; the notice will impose a monetary penalty that will have to be paid if the employer does not apply for review by the Ontario Labour Relations Board within the prescribed period or if the notice is reviewed and upheld.
- The maximum fine under the Act for an individual will remain at \$50,000; however, corporations will be subject to a maximum \$100,000 fine for a first offence, and will be subject to increasing fines for subsequent offences that may reach up to \$500,000. The maximum jail term that may be imposed by the court on an individual will be increased from 6 to 12 months. An employer who fails to comply with a reinstatement and/or compensation order made by a court will be subject to a maximum fine of \$2,000, or \$4,000 in the case of a corporation, for each day during which the failure to comply continues.

Changes to Parental Leave Provisions in Provincial Labour/Employment Standards Legislation

In addition to the federal jurisdiction and British Columbia (as mentioned in the Fall 2000 issue of the *Workplace Gazette*) as well as Ontario and New Brunswick (as mentioned earlier), the provinces of Manitoba, Newfoundland, Nova Scotia and Prince Edward Island have amended their legislation to extend the maximum duration of parental leave, thereby allowing eligible employees to take full advantage of the new EI parental benefits as of December 31, 2000.

Similarly, Alberta's *Maternity and Parental Leave Regulation* that came into force on February 7, 2001, provides job-protected parental leave for the first time in that province (previously, Alberta had only legislated maternity and adoption leave). This leave applies in the case of children born or adopted on or after December 31, 2000. Eligible natural and adoptive parents are now entitled to 37 weeks of parental leave, which may be combined with 15 weeks of maternity leave for birth mothers.

Saskatchewan has indicated that it will amend its *Labour Standards Act* in the spring of 2001 to extend the duration of parental leave. The three territories are reviewing the matter; as of mid-February, they had not yet tabled any amendments to their labour/employment standards legislation. It should be noted that Quebec's labour standards legislation already provided 52 weeks of parental leave in addition to 18 weeks of maternity leave prior to the federal government's changes to EI parental benefits.

For additional information on recently adopted or proposed changes to Canadian Labour Laws, please visit the Labour Program Web site at:

<http://labour-travail.hrdc-drhc.gc.ca/>

and click on "Canadian Labour Law Information".

YESTERDAY AND TODAY

Work and Family: A Preoccupation

Suzanne Payette
Workplace Information Directorate
Labour Program, Human Resources Development Canada

Fifty Years Ago...

The Labour Gazette reported on the theme of the annual Laval University Industrial Relations conference: Security in the Worker's Family.

The convention closed with the hope *"that family forces organize themselves for the common good... and that a vast union of families be set up in order to create a stronger bond and a better understanding between the various sections of society and to instill a consciousness of the reality of the family in the life of the nation... The tenets for such a reality include a permanent job, a permanent wage, a family dwelling worthy of human beings, and social security measures to protect their basic rights"*.

Today...

Family issues and family responsibilities are still a high priority. In the January 26, 2001 Canadian Labour Congress Bulletin, Ken Georgetti, President, was advocating that Canada's working families expect action from government on five priorities: fair and modern employment insurance, access to training

programs that maximize opportunities, trade agreements that value people, restoring confidence in public health care system, stronger communities and respect for the rights of working families and promotion and enforcement of workers' rights.

The Speech from the Throne delivered on January 30, 2001, addressed a number of issues. Canada and Canadians face the challenge of competing in a faster-paced, technology-driven world economy, of responding to economic uncertainty among our trading partners, of continuing to strengthen the fabric of our society and of advancing our Canadian interests and values in the international arena.

According to the Speech, government focus will be on building a world-leading economy driven by innovation, ideas and talent, creating a more inclusive society where children get the right start in life, where quality health services are available to all and where Canadians enjoy strong and safe communities, ensuring a clean, healthy environment, enhancing our voice in the world and our shared sense of citizenship. Even more so today, work and family continue to be a timeless preoccupation.

The complete **Speech from the Throne** is available at
< http://www.sft-ddt.gc.ca/sftddt_e.htm >.

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The Workplace Information Directorate is your source for up-to-date, customized information on industrial relations and collective bargaining.

By meeting your specific research needs, we can assist you in preparing for the resolution of issues at the bargaining table. We can also help you keep abreast of developments in the industrial relations field through our information service and publications. Our resources are used by negotiators, researchers, economists, consultants, journalists, teachers and many others.

Wage Settlements Bulletin

A monthly publication providing the most up-to-date information and analysis of major wage developments in collective bargaining in Canada. The Bulletin is a valuable and recognized reference source providing statistical and analytical information illustrated with useful charts and tables on recent wage developments in Canada. The aggregate data and details are published in the following groupings: public and private sectors, regions and jurisdictions, and major industry groups. Annual subscription: Canada, \$200 plus 7% GST (\$214); other countries, U.S. \$200. (Available by fax or by mail).

Workplace Gazette

A quarterly publication providing data on wage adjustments from major collective bargaining settlements by public and private sectors, by region, by jurisdiction and by major industry; detailed analysis of selected provisions in major agreements; information on innovative workplace practices in Canada resulting from collective bargaining; a quarterly calendar of major collective agreement expiries and reopeners; and, a chronological perspective on work stoppages in Canada. It also features articles or case studies on pertinent industrial relations matters. Annual subscription: Canada, \$125 plus 7% GST (\$133.75); other countries, U.S. \$125.

Collective Bargaining Bulletin

A monthly publication containing timely information based on recently signed major collective agreements in Canada. The publication focuses on summaries of changes to wages and benefits in selected settlements, the status of key negotiations as well as data on work stoppages in Canada. In addition, a listing of formal and up-to-date reports of major settlements is provided and copies are available by calling the Workplace Information Directorate at 1-800-567-6866 or (819) 997-3117. Annual subscription: Canada, \$50 plus 7% GST (\$53.50); other countries, U.S. \$50.

**For further information, contact the
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*The content of this publication has been prepared by members of
the Social Science Employees Association and the Public Service
Alliance of Canada.*

AT A GLANCE

The *Workplace Gazette* presents a wide range of information and analysis to meet the ever-changing needs of the industrial relations community. Its purpose is to provide a sound base for research in support of the bargaining process.

The *Workplace Gazette* includes information and analysis on wage adjustments, collective agreement provisions, innovative workplace practices, work stoppages, upcoming key negotiations and other related topics.

This issue includes the first quarter data for 2001 on wage adjustments in major collective agreements, both current and historical by public and private sectors, by region, by jurisdiction and by major industry. Also included is a listing of major settlements reached in the first quarter of 2001. Information on work stoppages for the fourth quarter of 2000 and first quarter of 2001 are provided.

Innovative practices in the workplace resulting from collective bargaining are summarized. Case studies include reorganizing the Sobeys' Distribution Centre in Montréal and the development of negotiated partnerships in the British Columbia forest industry.

An article on good corporate citizenship in the 21st century is featured. A summary of work-related child-care centres in Canada in the year 2001 is provided and the Employment Equity Merit Awards take a prominent place in this issue. Finally, the activities of the North American Occupational Health and Safety are updated and a short piece on Labour Day and its meaning is featured.

Recent changes in Canadian Labour Laws focus on adopted bills, regulations and other statutory instruments.

Yesterday and Today describes the first instance where union dues became an employment related income tax deduction and its relevance today.

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New One-Stop Shopping Labour Site

The web site contains comprehensive labour data from every province and territory with information on workplace innovations, labour standards legislation and industrial relations. Please feel free to visit the web site at www.labour-info-travail.org/E_main.cfm.

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




















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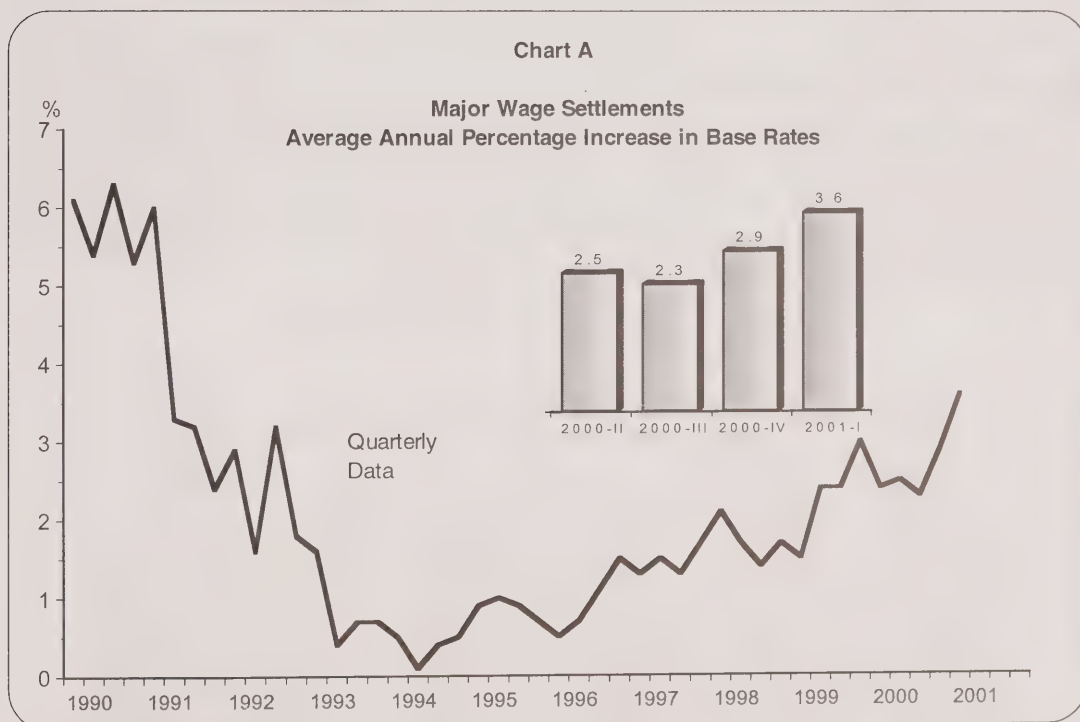
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MAJOR WAGE SETTLEMENTS* – FIRST QUARTER 2001

Summary

- Base-rate wage increases for the **first quarter of the year 2001** averaged **3.6 per cent**, up from the 2.9 per cent figure in the fourth quarter of 2000 and the 2.5 per cent figure for the year 2000
- There were 70 major settlements reached during the first quarter of 2001 with a coverage of 159,130 employees
- Wage adjustments in first-quarter **public-sector** settlements averaged **3.7 per cent**. In the **private sector**, wage adjustments averaged **2.4 per cent**
- Alberta recorded the largest wage gains at 5.8 per cent; the lowest is Manitoba at 1.8 per cent
- By industry the largest average wage adjustments were in the **education, health and social services sector** at **4.2 per cent**; the lowest was in manufacturing at 1.8 per cent



Source: Workplace Information Directorate

* Major settlements are those involving bargaining units of 500 or more employees. All wage rate adjustments over the term of these agreements, including those arising from cost-of-living clauses (COLA), are taken into account. The yield of such COLA clauses is estimated on an assumed 2.0 per cent annual increase in the Consumer Price Index.

Overview

Major collective bargaining settlements reached in the **first quarter of the year 2001** provided base-rate wage increases averaging **3.6 per cent** annually over the contract-term, up from the 2.9 per cent figure in the fourth quarter of 2000 and the 2.5 per cent figure for the year 2000. When the parties to these settlements previously negotiated, the resulting wage adjustments averaged 2.1 per cent, a smaller gain than in their current settlements.

There has been a gradual rise in the level of wage adjustments since 1994. The 3.6 per cent gain in the first quarter of the year 2001 still remains below the most recent annual peak of 5.6 per cent in 1990. Also, since 1993, average wage adjustments in the private sector had generally been above those in the public sector, although the gap had been narrowing since late 1997. However since early 2000, public sector increases have generally been higher than those in the private sector.

Distribution by Size of Wage Adjustments

The overall size of wage adjustments has trended upwards moderately since 1994. With the upturn in the size of wage adjustments there has been a corresponding decline in the incidence of wage freezes and wage cuts. In 1994, nearly two-thirds of all employees were subject to wage freezes or cuts; last

year, that proportion had dropped to 0.8 per cent of all employees; the same percentage (0.8 per cent) of all employees in a single settlement reached in the first quarter of this year were subject to a wage freeze. There were no wage cuts.

In the first quarter 2001, a very large concentration of employees received wage increases in the 3.0 to 3.9 per cent range. More than half (51 per cent) of all employees obtained wage adjustments in that range. Approximately 3.0 per cent of employees received increases below the 2.0 per cent level and just slightly below 22 per cent of employees received increases of 2.0 to 2.9 per cent. Slightly over 23 per cent of employees received increases of 4.0 per cent and over; 12.8 per cent of these employees received increases of 7.1 per cent (Alberta nurses).

Public and Private Sectors

Wage adjustments for 138,580 employees in 52 first-quarter **public-sector** settlements averaged **3.7 per cent**. In the **private sector**, 18 settlements reached in the first quarter provided wage adjustments averaging **2.4 per cent** for 20,550 employees. The vast majority of first-quarter 2001 major settlements were in the public sector. The majority of these public sector settlements were in the education and health sub-sectors.

**Distribution of Agreements and Employees
by Size of Wage Adjustments, First Quarter 2001**

Adjustment Range	Agreements		Employees	
	Number	Percentage	Number	Percentage
0% (No Increase)	1	1.4	1,200	0.8
Over 0.0% to 0.9%	2	2.9	2,420	1.5
1.0% to 1.9%	3	4.3	2,320	1.5
2.0% to 2.9%	28	40.0	34,790	21.9
3.0% to 3.9%	24	34.3	81,200	51.0
4.0% to 4.9%	8	11.4	15,830	9.9
5.0% to 5.9%	1	1.4	1,020	0.6
7.0% and over	3	4.3	20,350	12.8
ALL LEVELS	70	100.0	159,130	100.0

Source: Workplace Information Directorate

Wage adjustments in the private sector were above those in the public sector from 1991 to 1999. In 1999, wage adjustments in the public sector averaged 1.9 per cent, and in the private sector, 2.7 per cent. However, in the year 2000, public-sector wage increases averaged 2.5 per cent, slightly above those in the private sector at 2.3 per cent. In the first quarter 2001, the difference widened, with public sector increases averaging 3.7 per cent compared to private sector increases at 2.4 per cent.

Alberta public-sector agreements, with increases averaging 5.9 per cent in the first quarter, led the upward trend in public-sector wage settlements. These results were significantly influenced by three health-sector agreements covering 20,350 nurses across the province, with wage increases averaging 7.1 per cent. Excluding the Alberta public sector settlements, all remaining public sector agreements would have averaged wage gains of 3.1 per cent and the resulting first quarter 2001 aggregate average would be 3.0 per cent.

Wage adjustments were also influenced by 25 Ontario public-sector settlements providing 44,240 employees with wage increases averaging

3.2 per cent. Most of these agreements were in the education sector. The British Columbia Government settled a master agreement with 32,000 public service employees (all categories) for wage increases averaging 3.0 per cent.

Wage Adjustments by Region/Jurisdiction

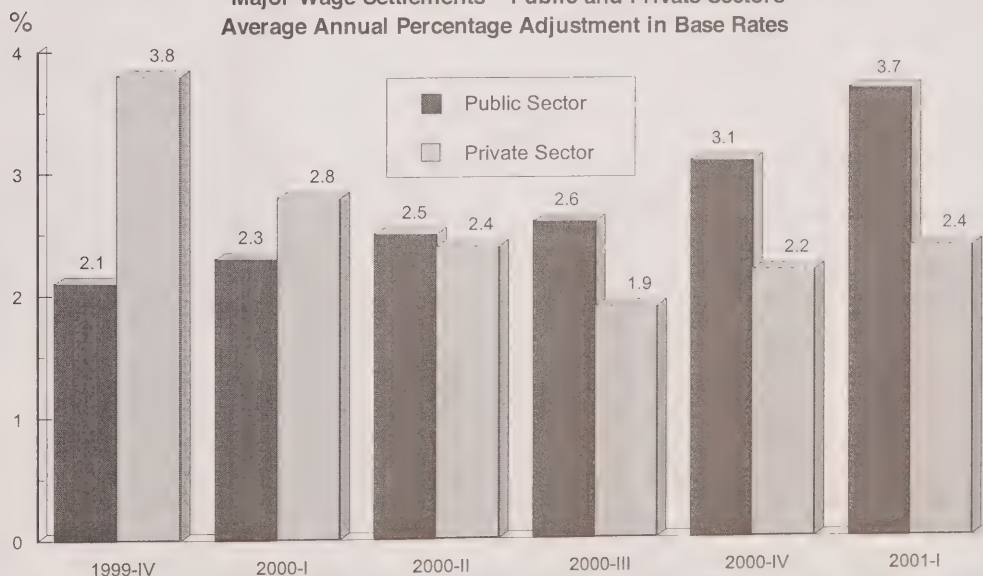
On a regional /jurisdictional basis, first quarter 2001 wage settlements were largest in the Prairie Provinces, with wage adjustments averaging 5.2 per cent; Alberta was the most active (12 of 19 agreements) and recorded the largest wage gains at 5.8 per cent. The larger wage increases were due in large part to the lucrative nursing settlements mentioned previously.

The second largest average wage increase was in Quebec at 3.9 per cent; however there were only three Quebec settlements in the first quarter, covering 3,310 employees.

In the Federal jurisdiction, wage increases averaged 3.3 per cent; there were five rail settlements including CN, CP and BC Rail, with wage increases ranging from 2.0 to 3.2 per cent.

Chart B

Major Wage Settlements – Public and Private Sectors Average Annual Percentage Adjustment in Base Rates



Source: Workplace Information Directorate

Ontario wage increases averaged 3.1 per cent. This province had the largest concentration of employees covered under first quarter settlements. There were 33 major settlements covering 51,020 employees, most of which were in the public sector (25 agreements covering 44,240 employees).

In British Columbia, three agreements provided 36,000 employees with wage increases averaging 2.9 per cent. Of these three settlements, the British Columbia Government master agreement had the largest employee coverage, with 32,000 public service workers receiving a wage increase of 3.0 per cent.

In the Atlantic Provinces, two settlements provided 6,260 employees with wage increases averaging 2.0 per cent. There was a single agreement in the Yukon Territories providing 690 elementary and secondary school teachers with a 3.2 per cent annual average increase.

Wage Adjustments by Industry

On an industry basis, the largest concentration of employees (52.6 per cent), the majority of agreements

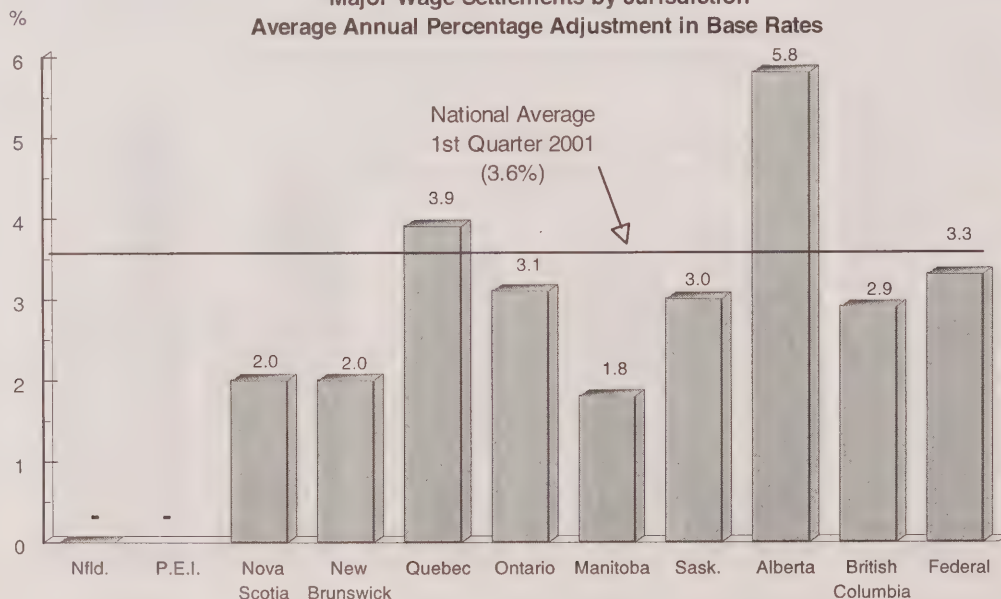
(55.7 per cent), and the largest average wage adjustments, were in the **education, health and social services sector**, with 83,700 workers in 39 settlements obtaining average wage gains of **4.2 per cent**. Wage increases in this sector ranged from 0.9 per cent for 1,400 office and clerical employees with the Upper Canada District School Board, to 7.1 per cent for 20,350 nurses in three Alberta health-sector agreements.

The second largest industry average was in the **information and cultural sector** but it was derived from a single agreement (Saskatchewan Telecommunications) providing 3,600 employees with wage gains averaging **3.7 per cent**.

In **public administration**, seven settlements provided 44,220 employees with increases averaging **3.1 per cent**. Wage increases ranged from 2.3 per cent for 2,260 finance employees with the Government of Canada, to 4.7 per cent for 5,350 correctional officers, also with the Government of Canada. All remaining industry divisions had average wage increases below the first-quarter national average of 3.6 per cent.

Chart C

Major Wage Settlements by Jurisdiction Average Annual Percentage Adjustment in Base Rates



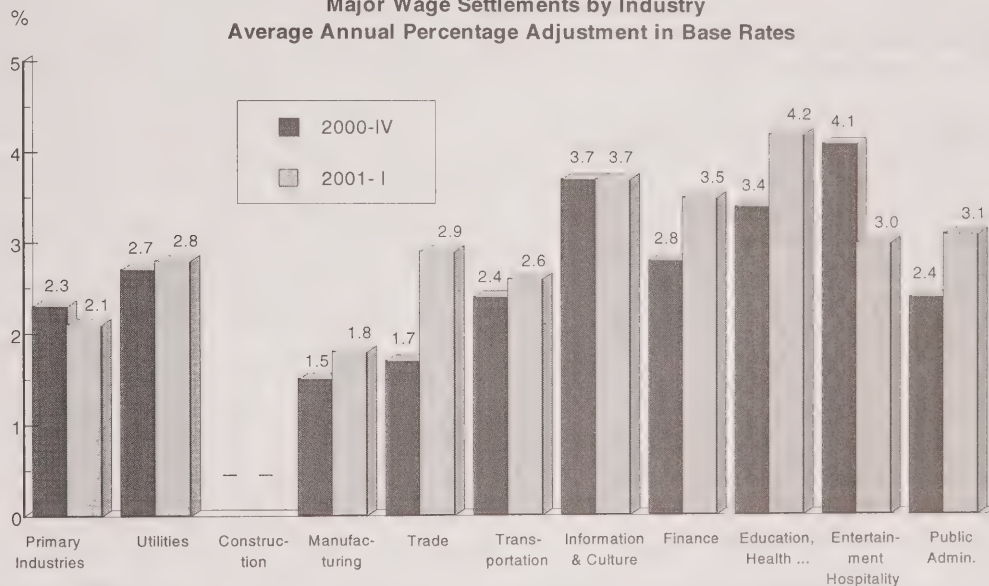
Source: Workplace Information Directorate

In **transportation**, seven agreements provided 10,960 employees with wage increases averaging **2.6 per cent**. All but one of these were rail agreements (CN, CP and BC Rail) with wage gains ranging from 2.0 to 3.2 per cent. The other was an agreement between the City of Winnipeg and 1,140 bus drivers for a wage increase averaging 2.1 per cent.

In **manufacturing**, eight agreements provided 7,030 employees with wage increases averaging **1.8 per cent**, the lowest in all industry groups. Wage increases ranged from a wage freeze for 1,020 production employees with the Garment Manufacturers Association of Western Canada, to a high of 3.0 per cent for 620 plant employees at Kodak Canada Inc.

Chart D

Major Wage Settlements by Industry
Average Annual Percentage Adjustment in Base Rates



Source: Workplace Information Directorate

In the **utilities** sector, there were four major settlements providing 6,310 employees with wage increases averaging **2.8 per cent**. Two Toronto Hydro contracts were settled at 2.5 per cent, and both a Hydro One agreement in Ontario and a SaskPower agreement were reached with wage gains averaging 3.0 per cent.

The remaining industry sectors were each comprised of a single agreement. The **finance** sector recorded a wage increase averaging **3.5 per cent**, the **entertainment and hospitality** sector averaged an increase of **3.0 per cent** and the **trade** sector stood at **2.9 per cent**. There were no major agreements in the **construction** sector.

The full 2001 Calendar of Major Collective Agreement Expiries and Reopeners is now available on the Workplace Information Directorate Web site at:

<http://labour.hrdc-drhc.gc.ca/doc/wid-dimt/eng/expreo.cfm>

MAJOR SETTLEMENTS REACHED IN THE FIRST QUARTER 2001

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Primary Industries (1 agreement)	1,260	2.1	3.1	42	
Falconbridge Limited, production employees, Falconbridge, Ont.	1,260	2.1*	3.1	42	2004-01-31
Utilities (4 agreements)	6,310	2.8	3.1	19.8	
Hydro One, office and clerical employees, province-wide, Ont.	3,530	3.0	3.0	12	2002-03-31
SaskPower, plant and maintenance employees, province-wide, Sask.	1,340	3.0	3.8	36	2003-12-31
Toronto Hydro, hourly-rated employees, Toronto, Ont.	900	2.3*	2.5	24	2003-01-31
Toronto Hydro, salaried employees, Toronto, Ont.	540	2.2*	2.5	24	2003-01-31
Manufacturing (8 agreements)	7,030	1.8	1.9	36.7	
Atlas Speciality Steels, a Division of Atlas Steels Inc., plant and maintenance employees, Welland, Ont.	720	2.1*	2.0	36	2004-03-22
Cargill Limited, Cargill Foods Division, plant and maintenance employees, High River, Alta.	1,650	2.7	3.8	48	2004-12-31
Ford Electronics Manufacturing Corporation, production employees, Markham, Ont.	1,200	0.0	0.0	36	2004-01-09
Garment Manufacturers Association of Western Canada, production employees, Winnipeg, Man.	1,020	0.6	0.0	48	2004-12-14
General Electric Canada Inc., plant and maintenance employees, Pickering, Ont.	820	2.6*	1.6	36	2004-02-15
Johnson & Johnson Products Inc., hourly-rated employees, Montréal, Que.	500	2.6	3.0	36	2003-04-30
Kodak Canada Inc., plant and maintenance employees, Toronto, Ont.	620	3.0	3.0	12	2001-10-31
National Sea Products Limited, plant and maintenance employees, Lunenburg, N.S.	500	2.0*	2.0	12	2001-12-31
Wholesale and Retail Trade (1 agreement)	720	2.9	3.6	36	
Great Atlantic & Pacific Company of Canada Limited, grocery distribution centre employees, Toronto, Ont.	720	2.9	3.6	36	2003-10-11
Transportation (7 agreements)	10,960	2.6	3.0	35.5	
BC Rail Ltd., maintenance of way employees, province-wide, B.C.	500	2.5	2.5	24	2002-12-31
Canadian National Railway Company, office and clerical employees, system-wide (excl. Nfld.)	2,590	3.2	4.2	36	2003-12-31
Canadian National Railway Company, service and maintenance employees, system-wide	650	2.0	2.0	36	2003-12-31
Canadian National Railway Company, shopcraft employees, system-wide	2,550	3.1	4.0	36	2003-12-31
Canadian Pacific Limited, bridge and structure employees, system-wide	2,320	2.0	2.0	36	2003-12-31
Canadian Pacific Railway and St. Lawrence & Hudson Railway, non-operating employees, system-wide	1,210	2.0	2.0	36	2003-12-31
City of Winnipeg, bus drivers, Winnipeg, Man.	1,140	2.1*	2.3	36	2003-01-11
Information and Culture (1 agreement)	3,600	3.7	3.0	36	
Saskatchewan Telecommunications, telephone operators, province-wide, Sask.	3,600	3.7	3.0	36	2004-03-20

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Finance, Real Estate and Management Services (1 agreement)	780	3.5	3.5	12	
Canadian Imperial Bank of Commerce (Visa Centre), office and clerical employees, Toronto, Ont.	780	3.5	3.5	12	2002-02-28
Education, Health and Social Services (39 agreements)	83,700	4.2	4.9	27.4	
Bluewater District School Board, secondary teachers, Chesley, Ont.	570	3.6	3.6	12	2001-08-31
Calgary Regional Health Authority (Foothills Hospital), non-medical employees, Calgary, Alta.	2,280	4.0	4.0	12	2002-03-31
Calgary Regional Health Authority, non-medical employees, Calgary, Alta.	790	4.0	4.0	12	2002-03-31
Calgary Regional Health Authority, non-medical employees, Calgary, Alta.	750	4.0	4.0	12	2002-03-31
Calgary Regional Health Authority, non-medical employees, Calgary, Alta.	530	4.0	4.0	12	2002-03-31
Calgary Roman Catholic Separate School District No. 1, support employees, Calgary, Alta.	1,300	3.1	3.5	36	2002-08-31
Carleton University, teaching assistants, Ottawa, Ont.	1,200	3.8	3.5	24	2002-08-31
Conseil des écoles catholiques de langue française du Centre-Est, elementary teachers, Gloucester, Ont.	750	2.0	2.0	12	2001-08-31
Continuing Care Employers Association, nurses, province-wide, Alta.	500	7.1	10.3	24	2003-03-31
Diversicare I Limited Partnership, non-medical employees, Toronto, Ont.	890	2.9	2.5	36	2003-12-31
Emergency Health Services Commission, ambulance drivers, Vancouver, B.C.	3,500	2.2*	2.0	60	2005-03-31
Government of New Brunswick, non-medical employees, province-wide, N.B.	5,760	2.0	2.0	48	2003-06-30
Government of Yukon, elementary and secondary teachers, territory-wide, Y.T.	690	3.2	3.0	36	2003-06-30
Greater Essex County District School Board, elementary teachers, Windsor, Ont.	1,320	3.0	3.0	12	2001-08-31
Halton District School Board, secondary teachers, Burlington, Ont.	960	3.5	3.5	24	2002-08-31
Hastings and Prince Edward District School Board, office and clerical employees, Belleville, Ont.	690	1.9	2.0	26	2002-08-31
Kawartha Pine Ridge District School Board, secondary teachers, Peterborough, Ont.	1,000	3.4	3.4	12	2001-08-31
Lambton Hospital Group, health service-non-professionals, Sarnia, Ont.	560	2.6	2.9	36	2004-03-31
Lambton Kent District School Board, custodial, Sarnia, Ont.	780	1.5	1.9	24	2002-08-31
Peel District School Board, elementary teachers, Mississauga, Ont.	4,050	3.0	3.5	24	2002-08-31
Provincial Health Authorities of Alberta, nurses, province-wide, Alta.	18,400	7.1	10.3	24	2003-03-31
Provincial Health Authorities of Alberta, nurses, province-wide, Alta.	1,450	7.1	10.3	24	2003-03-31
Provincial Health Authorities of Alberta, office and clerical employees, province-wide (excl. Calgary), Alta.	3,320	4.9	7.0	36	2004-03-31
Queen's University, professors, Kingston, Ont.	860	2.0	2.0	12	2002-04-30
Rainbow District School Board, elementary teachers, Sudbury, Ont.	610	2.6	5.1	32	2003-08-31
Saskatchewan Institute of Applied Science and Technology, administrative services employees, province-wide, Sask.	560	3.0	3.0	36	2003-06-30
Saskatchewan Institute of Applied Science and Technology, Instructors/Tutors/Lecturers, province-wide, Sask.	1,030	3.0	3.0	36	2003-06-30

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Education, Health and Social Services (continued)					
Simcoe County District School Board, secondary teachers, Midhurst, Ont.	1,020	5.2	5.2	12	2001-08-31
St. Vital School Division No. 6, elementary and secondary teachers, St. Vital, Man.	650	2.0	2.0	24	2000-06-30
Toronto Catholic District School Board, secondary teachers, Toronto, Ont.	2,170	2.9	2.9	12	2001-08-31
Toronto District School Board, elementary teachers, Toronto, Ont.	10,600	3.9	3.0	24	2002-08-31
Toronto District School Board, secondary teachers, Toronto, Ont.	6,270	3.9	3.1	24	2002-08-31
University of Ottawa, professors, Ottawa, Ont.	850	1.7	1.7	12	2001-04-30
University of Quebec at Montréal, Instructors/Tutors/Lecturers, Montréal, Que.	1,970	4.1	4.2	36	2002-12-31
Université du Québec à Trois-Rivières, Instructors/Tutors/Lecturers, Trois-Rivières, Que.	840	4.1	3.3	48	2003-05-31
Upper Canada District School Board, office and clerical employees, Brockville, Ont.	1,400	0.9	0.0	44	2002-08-31
Upper Grand District School Board, elementary teachers, Guelph, Ont.	1,140	3.0	3.8	24	2002-08-31
York University, teaching assistants, Toronto, Ont.	600	2.0	2.0	24	2002-08-31
York University, teaching assistants, Toronto, Ont.	1,090	2.0	2.0	24	2002-08-31
Entertainment and Hospitality (1 agreement)	550	3.0	3.0	36	
Textile Rental Institute of Ontario, laundry and dry cleaners, Toronto, Ont.	550	3.0	3.0	36	2003-12-31
Public Administration (7 agreements)	44,220	3.1	4.4	33.7	
City of Edmonton, outside employees, Edmonton, Alta.	1,780	3.0	3.0	36	2002-12-28
City of Edmonton, police officers, Edmonton, Alta.	1,170	3.0	3.0	36	2002-12-28
City of Winnipeg, firefighters, Winnipeg, Man.	880	2.5*	2.5	24	2001-12-30
Government of British Columbia, all categories, province-wide, B.C.	32,000	3.0*	4.4	36	2004-03-31
Government of Canada, correctional officers, Canada-wide	5,350	4.7	6.9	24	2002-05-31
Government of Canada, finance employees, Canada-wide	2,260	2.3	2.0	24	2001-11-06
Niagara Parks Commission, recreational employees, Niagara Falls, Ont.	780	2.3	2.0	36	2003-10-31
Agreements with COLA (10 agreements)	42,260	2.8*	3.9	37.2	
Agreements without COLA (60 agreements)	16,870	3.9	4.5	27.6	
All agreements (70 agreements)	59,130	3.6	4.4	30.1	

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate

Source: Workplace Information Directorate

The Collective Bargaining Bulletin, a monthly publication, contains a listing of formal and up-to-date summaries of the major settlements shown above.

Copies of these settlement summaries, available in English and French, can now be obtained by visiting NEGOTECH at < <http://206.191.16.138/gol/> >. These summaries are also available from the Workplace Information Directorate at 1-800-567-6866 or Client Services at (819) 997-3117 or E-mail: wid-imt@hrdc-drhc.gc.ca or Internet: <http://labour-travail.hrdc-drhc.gc.ca>

Negotech

A searchable labour relations database developed and maintained by the Workplace Information Directorate, Human Resources Development Canada, providing timely information on the key aspects of collective bargaining in Canada through:

- settlement reports containing the highlights of important benefit changes including wage adjustments in recently signed collective agreements;
- access to full collective agreement contract language; and
- customized data searches.

**For further information, contact the
Workplace Information Directorate at:**

1-800-567-6866 or (819) 997-3117

Web Site: <http://hrdc.gc.ca/labour/nego>

Table 1
Major Wage Settlements, by Public and Private Sectors,
by Year and Quarter

	Public Sector				Private Sector				All Sectors			
	Agmts.	Dur. (Months)	Empls. (000's)	Avg. Adj. (%)	Agmts.	Dur. (Months)	Empls. (000's)	Avg. Adj. (%)	Agmts.	Dur. (Months)	Empls. (000's)	Avg. Adj. (%)
Year												
1981	290	18.9	577.6	13.1	210	27.3	323.4	12.6	500	21.9	901.0	13.0
1982	319	14.6	865.1	10.4	189	25.2	282.2	9.5	508	17.2	1,147.3	10.2
1983	458	19.6	1,241.6	4.6	200	25.0	302.8	5.5	658	20.6	1,544.3	4.8
1984	276	17.0	635.2	3.9	283	26.1	521.0	3.2	559	21.1	1,156.2	3.6
1985	316	21.7	566.8	3.8	200	30.1	271.8	3.3	516	24.5	838.6	3.7
1986	321	25.3	709.2	3.6	232	26.0	412.2	3.0	553	25.6	1,121.5	3.4
1987	270	29.4	824.3	4.1	208	31.4	287.0	3.8	478	29.9	1,111.3	4.0
1988	301	24.0	698.6	4.0	241	27.2	484.1	5.0	542	25.3	1,182.7	4.4
1989	294	30.0	736.0	5.2	159	28.6	265.8	5.2	453	29.6	1,001.8	5.2
1990	283	27.4	677.8	5.6	224	29.7	468.5	5.7	507	28.4	1,146.4	5.6
1991	365	16.0	1,121.7	3.4	182	29.2	224.0	4.4	547	18.2	1,345.6	3.6
1992	301	21.7	975.9	2.0	195	32.2	330.9	2.6	496	24.3	1,306.8	2.1
1993	347	23.4	1,012.0	0.6	171	25.2	400.5	0.8	518	23.9	1,412.5	0.7
1994	299	26.5	719.8	-0.0	135	34.5	222.8	1.2	434	28.4	942.6	0.3
1995	215	31.4	629.6	0.6	187	35.9	279.2	1.4	402	32.8	908.8	0.9
1996	212	31.7	564.3	0.5	166	34.7	246.1	1.7	378	32.6	810.4	0.9
1997	220	30.3	370.3	1.1	159	38.1	323.5	1.8	379	34.0	693.9	1.5
1998	221	31.1	646.3	1.6	182	34.4	274.4	1.8	403	32.1	920.6	1.7
1999	218	35.0	507.0	1.9	158	38.4	314.7	2.7	376	36.3	821.7	2.2
2000	292	33.5	907.6	2.5	97	42.9	164.2	2.3	389	34.9	1,071.8	2.5
2001 *	52	29.3	138.6	3.7	18	35.7	20.6	2.4	70	30.1	159.1	3.6
* Year to Date												
Quarter												
1998 I	45	36.4	97.0	2.1	23	33.6	38.3	2.3	68	35.6	135.3	2.1
II	56	32.0	157.5	1.7	71	27.9	111.3	1.7	127	30.3	268.7	1.7
III	52	33.2	186.5	1.2	54	40.9	85.9	1.8	106	35.6	272.4	1.4
IV	68	25.9	205.3	1.7	34	39.9	38.9	2.0	102	28.1	244.2	1.7
1999 I	78	32.5	192.2	1.3	30	38.1	55.7	2.2	108	33.8	247.9	1.5
II	71	37.4	205.0	2.4	54	40.6	64.0	2.5	125	38.2	268.9	2.4
III	33	36.9	50.0	2.3	42	37.5	127.5	2.4	75	37.3	177.5	2.4
IV	36	33.3	59.9	2.1	32	38.3	67.5	3.8	68	36.0	127.3	3.0
2000 I	123	39.9	497.3	2.3	29	32.8	43.2	2.8	152	39.4	540.4	2.4
II	57	21.3	209.2	2.5	28	40.9	33.2	2.4	85	24.0	242.4	2.5
III	40	33.6	76.9	2.6	20	52.0	59.9	1.9	60	41.6	136.8	2.3
IV	72	28.2	124.2	3.1	20	41.8	27.9	2.2	92	30.7	152.1	2.9
2001 I	52	29.3	138.6	3.7	18	35.7	20.6	2.4	70	30.1	159.1	3.6
II	-	-	-	-	-	-	-	-	-	-	-	-
III	-	-	-	-	-	-	-	-	-	-	-	-
IV	-	-	-	-	-	-	-	-	-	-	-	-

Agmts. - Number of Agreements
Dur. - Average Agreement Duration
Empls. - Number of Employees
Avg. Adj. - Average Annual Adjustment

Table 2
Effective Wage Adjustment in Base Rates, by Region/Jurisdiction,
by Year and Quarter

	1998	1999	2000	2000 - 2001			
	(%)	(%)	(%)	2	3	4	1
				(%)	(%)	(%)	(%)
All Sectors							
CANADA	1.7	2.2	2.5	2.5	2.3	2.9	3.6
<i>Atlantic</i>	2.1	2.0	2.6	2.4	2.7	3.9	2.0
Newfoundland	1.3	1.6	3.6	2.3	-	6.3	-
Prince Edward Island	2.1	2.7	2.2	2.2	-	-	-
Nova Scotia	2.9	2.1	2.2	-	-	-	2.0
New Brunswick	1.5	2.4	2.8	2.5	2.7	3.3	2.0
Quebec	1.1	1.6	2.3	2.7	2.8	2.6	3.9
Ontario	1.6	2.2	2.5	2.3	2.2	3.0	3.1
<i>Prairies</i>	2.4	3.0	3.8	5.2	2.6	3.5	5.2
Manitoba	1.4	2.5	2.6	2.4	2.4	3.5	1.8
Saskatchewan	1.8	2.0	3.5	-	-	3.6	3.0
Alberta	3.0	4.0	4.5	5.9	3.0	3.5	5.8
British Columbia	0.8	0.8	1.7	0.7	1.9	2.2	2.9
Territories	1.0	1.9	2.5	-	-	2.3	3.2
Multiprovince	1.7	2.8	2.1	1.8	2.7	-	-
Total Federal	2.1	2.8	2.2	2.0	3.0	2.4	3.3
Public Sector							
CANADA	1.6	1.9	2.5	2.5	2.6	3.1	3.7
<i>Atlantic</i>	2.1	1.8	2.9	2.6	-	4.4	2.0
Newfoundland	1.3	1.3	5.3	2.3	-	6.3	-
Prince Edward Island	2.1	2.9	2.2	2.2	-	-	-
Nova Scotia	3.0	2.3	2.2	-	-	-	-
New Brunswick	1.5	3.1	3.5	3.0	-	3.8	2.0
Quebec	1.3	1.7	2.3	2.3	2.2	2.9	4.1
Ontario	1.3	1.5	2.6	2.2	2.9	3.1	3.2
<i>Prairies</i>	2.2	2.9	3.8	5.2	2.6	3.5	5.4
Manitoba	1.2	2.5	2.6	2.4	2.4	3.5	2.2
Saskatchewan	1.8	2.2	3.5	-	-	3.6	3.0
Alberta	2.6	3.7	4.5	5.9	3.0	3.5	5.9
British Columbia	0.7	0.6	1.4	0.7	1.7	2.2	2.9
Territories	1.0	1.9	2.5	-	-	2.3	3.2
Multiprovince	-	-	-	-	-	-	-
Total Federal	2.2	2.8	2.2	2.1	3.4	2.4	3.9
Private Sector							
CANADA	1.8	2.7	2.3	2.4	1.9	2.2	2.4
<i>Atlantic</i>	1.8	2.2	1.8	1.7	2.7	0.0	2.0
Newfoundland	1.9	2.3	2.4	-	-	-	-
Prince Edward Island	-	2.3	-	-	-	-	-
Nova Scotia	1.8	1.9	1.7	-	-	-	2.0
New Brunswick	1.7	2.3	1.4	1.7	2.7	0.0	-
Quebec	1.0	1.6	2.9	3.4	3.9	2.0	2.6
Ontario	2.1	3.5	2.2	2.5	1.4	2.3	2.1
<i>Prairies</i>	3.2	3.8	3.9	-	-	-	1.9
Manitoba	1.6	3.1	3.1	-	-	-	0.6
Saskatchewan	1.1	0.8	-	-	-	-	-
Alberta	4.5	5.1	4.8	-	-	-	2.7
British Columbia	1.5	1.3	2.0	-	2.0	2.0	-
Territories	-	-	-	-	-	-	-
Multiprovince	1.7	2.8	2.1	1.8	2.7	-	-
Total Federal	1.7	2.8	2.2	1.6	2.6	2.3	2.7

Table 3
Number of Agreements and Employees Covered, by Region/Jurisdiction,
by Year and Quarter

	1998		1999		2000	
	Number of Agreements	Number of Employees (000's)	Number of Agreements	Number of Employees (000's)	Number of Agreements	Number of Employees (000's)
All Sectors						
CANADA	403	920.6	376	821.7	389	1,071.8
<i>Atlantic</i>	42	93.4	22	20.0	19	29.1
Newfoundland	7	25.4	8	9.7	4	5.0
Prince Edward Island	3	3.9	3	2.2	2	1.3
Nova Scotia	18	39.0	6	3.9	4	11.7
New Brunswick	14	25.0	5	4.3	9	11.1
Quebec	53	82.2	38	113.1	95	345.4
Ontario	143	270.1	174	316.2	142	281.2
<i>Prairies</i>	83	134.0	69	142.1	59	108.4
Manitoba	20	22.3	18	38.7	19	29.3
Saskatchewan	12	32.3	14	41.1	4	14.3
Alberta	51	79.4	37	62.4	36	64.8
British Columbia	35	151.8	25	71.9	33	64.4
Territories	1	2.3	2	4.6	3	5.5
Multiprovince	2	7.0	3	2.2	3	2.8
Total Federal	44	179.8	43	151.6	35	235.0
Public Sector						
CANADA	221	646.3	218	507.0	292	907.6
<i>Atlantic</i>	29	81.6	10	10.7	10	21.3
Newfoundland	6	22.9	4	6.6	3	2.0
Prince Edward Island	3	3.9	2	1.5	2	1.3
Nova Scotia	11	33.6	3	2.1	2	10.6
New Brunswick	9	21.1	1	0.6	3	7.3
Quebec	14	23.6	12	25.8	76	322.0
Ontario	78	167.9	115	211.7	99	204.1
<i>Prairies</i>	62	106.5	49	120.1	57	106.4
Manitoba	11	11.7	13	34.2	18	28.2
Saskatchewan	10	30.5	10	36.7	4	14.3
Alberta	41	64.3	26	49.2	35	63.9
British Columbia	15	133.7	13	57.6	25	38.9
Territories	1	2.3	2	4.6	3	5.5
Multiprovince	-	-	-	-	-	-
Total Federal	22	130.7	17	76.5	22	209.5
Private Sector						
CANADA	182	274.4	158	314.7	97	164.2
<i>Atlantic</i>	13	11.8	12	9.3	9	7.8
Newfoundland	1	2.5	4	3.1	1	3.0
Prince Edward Island	-	-	1	0.7	-	-
Nova Scotia	7	5.4	3	1.8	2	1.1
New Brunswick	5	3.9	4	3.7	6	3.7
Quebec	39	58.6	26	87.3	19	23.3
Ontario	65	102.2	59	104.5	43	77.1
<i>Prairies</i>	21	27.5	20	22.1	2	2.1
Manitoba	9	10.5	5	4.6	1	1.1
Saskatchewan	2	1.8	4	4.4	-	-
Alberta	10	15.1	11	13.1	1	1.0
British Columbia	20	18.2	12	14.3	8	25.5
Territories	-	-	-	-	-	-
Multiprovince	2	7.0	3	2.2	3	2.8
Total Federal	22	49.1	26	75.1	13	25.5

Table 3 (continued)
Number of Agreements and Employees Covered, by Region/Jurisdiction,
by Year and Quarter

2000 - 2001

	2		3		4		1	
	Number of Agreements	Number of Employees (000's)	Number of Agreements	Number of Employees (000's)	Number of Agreements	Number of Employees (000's)	Number of Agreements	Number of Employees (000's)
All Sectors								
CANADA	85	242.4	60	136.8	92	152.1	70	159.1
Atlantic	5	4.0	1	0.5	4	7.6	2	6.3
Newfoundland	1	0.5	-	-	2	1.5	-	-
Prince Edward Island	2	1.3	-	-	-	-	-	-
Nova Scotia	-	-	-	-	-	-	1	0.5
New Brunswick	2	2.2	1	0.5	2	6.1	1	5.8
Quebec	12	16.4	6	5.6	11	19.4	3	3.3
Ontario	37	56.1	20	53.8	44	56.7	33	51.0
Prairies	13	31.5	15	22.6	14	29.6	19	40.5
Manitoba	2	6.3	11	15.7	3	4.7	4	3.7
Saskatchewan	-	-	-	-	3	13.8	3	2.9
Alberta	11	25.2	4	7.0	8	11.2	12	33.9
British Columbia	4	5.2	11	36.3	10	12.6	3	36.0
Territories	-	-	-	-	1	2.5	1	0.7
Multiprovince	2	2.0	1	0.8	-	-	-	-
Total Federal	12	127.3	6	17.2	8	23.8	9	21.3
Public Sector								
CANADA	57	209.2	40	76.9	72	124.2	52	138.6
Atlantic	4	3.2	-	-	3	6.8	1	5.8
Newfoundland	1	0.5	-	-	2	1.5	-	-
Prince Edward Island	2	1.3	-	-	-	-	-	-
Nova Scotia	-	-	-	-	-	-	-	-
New Brunswick	1	1.4	-	-	1	5.3	1	5.8
Quebec	6	10.3	4	3.6	5	12.6	2	2.8
Ontario	22	38.9	14	28.3	37	48.2	25	44.2
Prairies	13	31.5	15	22.6	14	29.6	17	37.9
Manitoba	2	6.3	11	15.7	3	4.7	3	2.7
Saskatchewan	-	-	-	-	3	13.8	3	2.9
Alberta	11	25.2	4	7.0	8	11.2	11	32.3
British Columbia	4	5.2	4	12.3	9	11.1	3	36.0
Territories	-	-	-	-	1	2.5	1	0.7
Multiprovince	-	-	-	-	-	-	-	-
Total Federal	8	120.1	3	10.1	3	13.3	3	11.2
Private Sector								
CANADA	28	33.2	20	59.9	20	27.9	18	20.6
Atlantic	1	0.8	1	0.5	1	0.8	1	0.5
Newfoundland	-	-	-	-	-	-	-	-
Prince Edward Island	-	-	-	-	-	-	-	-
Nova Scotia	-	-	-	-	-	-	1	0.5
New Brunswick	1	0.8	1	0.5	1	0.8	-	-
Quebec	6	6.1	2	2.0	6	6.7	1	0.5
Ontario	15	17.2	6	25.5	7	8.5	8	6.8
Prairies	-	-	-	-	-	-	2	2.7
Manitoba	-	-	-	-	-	-	1	1.0
Saskatchewan	-	-	-	-	-	-	-	-
Alberta	-	-	-	-	-	-	1	1.7
British Columbia	-	-	7	24.0	1	1.5	-	-
Territories	-	-	-	-	-	-	-	-
Multiprovince	2	2.0	1	0.8	-	-	-	-
Total Federal	4	7.2	3	7.1	5	10.4	6	10.1

Table 4
Effective Wage Adjustment in Base Rates, by Major Industry Division, with and without COLA,
by Year and Quarter

	Non-COLA Agreements				COLA Agreements				All Agreements			
	Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.
	(Months)	(Months)	(000's)	(%)	(Months)	(Months)	(000's)	(%)	(Months)	(Months)	(000's)	(%)
Primary Industries												
1998	2	36.0	1.8	1.1	-	-	-	-	2	36.0	1.8	1.1
1999	4	47.8	2.9	1.8	4	45.2	3.8	2.5	8	46.3	6.7	2.2
2000	-	-	-	-	3	36.0	4.9	1.6	3	36.0	4.9	1.6
2000 II	-	-	-	-	2	36.0	4.2	1.5	2	36.0	4.2	1.5
III	-	-	-	-	-	-	-	-	-	-	-	-
IV	-	-	-	-	1	36.0	0.7	2.3	1	36.0	0.7	2.3
2001 I	-	-	-	-	1	42.0	1.3	2.1	1	42.0	1.3	2.1
Utilities												
1998	9	26.6	21.6	2.4	1	36.0	0.5	2.1	10	26.9	22.1	2.4
1999	14	50.8	30.1	1.8	2	24.0	1.6	2.4	16	49.5	31.7	1.8
2000	13	25.2	25.6	3.2	-	-	-	-	13	25.2	25.6	3.2
2000 II	2	18.4	1.9	2.8	-	-	-	-	2	18.4	1.9	2.8
III	4	36.0	5.8	2.5	-	-	-	-	4	36.0	5.8	2.5
IV	3	29.5	4.1	2.7	-	-	-	-	3	29.5	4.1	2.7
2001 I	2	18.6	4.9	3.0	2	24.0	1.4	2.2	4	19.8	6.3	2.8
Construction												
1998	46	34.1	94.6	2.4	3	48.0	2.2	3.1	49	34.4	96.8	2.4
1999	21	36.1	97.8	2.0	-	-	-	-	21	36.1	97.8	2.0
2000	6	23.0	8.1	3.8	1	48.0	0.5	2.7	7	24.4	8.6	3.7
2000 II	-	-	-	-	-	-	-	-	-	-	-	-
III	1	36.0	0.8	2.7	1	48.0	0.5	2.7	2	40.6	1.3	2.7
IV	-	-	-	-	-	-	-	-	-	-	-	-
2001 I	-	-	-	-	-	-	-	-	-	-	-	-
Manufacturing												
1998	48	30.5	61.2	0.9	25	38.2	23.3	3.1	73	32.6	84.6	1.5
1999	42	52.9	30.1	1.8	31	35.5	72.8	4.2	73	40.6	102.9	3.5
2000	34	34.9	46.3	2.1	17	37.4	21.7	3.0	51	35.7	68.0	2.4
2000 II	11	42.3	7.3	2.5	7	39.6	9.3	3.2	18	40.8	16.7	2.9
III	5	36.0	20.7	2.0	3	43.2	3.0	3.5	8	36.9	23.7	2.2
IV	7	36.5	7.4	1.4	1	36.0	0.5	3.3	8	36.4	7.9	1.5
2001 I	5	39.4	5.0	1.7	3	30.1	2.0	2.3	8	36.7	7.0	1.8
Wholesale and Retail Trade												
1998	12	39.4	17.6	1.8	-	-	-	-	12	39.4	17.6	1.8
1999	10	32.6	11.8	1.6	1	36.0	5.2	0.6	11	33.7	17.0	1.3
2000	12	53.3	37.1	1.9	2	71.4	10.6	1.0	14	57.3	47.7	1.7
2000 II	2	44.8	3.0	2.5	-	-	-	-	2	44.8	3.0	2.5
III	3	60.5	19.9	1.7	1	72.0	7.6	1.0	4	63.6	27.5	1.5
IV	5	44.6	5.0	2.1	1	70.0	3.0	1.0	6	54.1	8.0	1.7
2001 I	1	36.0	0.7	2.9	-	-	-	-	1	36.0	0.7	2.9
Transportation												
1998	21	35.3	35.6	2.1	2	41.3	3.5	1.9	23	35.9	39.1	2.1
1999	19	37.9	47.2	2.9	4	43.0	12.8	2.3	23	39.0	60.0	2.8
2000	13	36.9	33.5	2.5	4	33.3	50.8	2.1	17	34.7	84.3	2.3
2000 II	3	45.9	6.6	2.3	1	60.0	0.9	1.6	4	47.6	7.5	2.2
III	1	49.0	2.6	2.6	1	60.0	4.4	1.3	2	55.9	7.0	1.8
IV	4	29.5	10.8	2.4	1	48.0	0.5	2.3	5	30.4	11.3	2.4
2001 I	6	35.4	9.8	2.6	1	36.0	1.1	2.1	7	35.5	11.0	2.6

Agmts. - Number of Agreements
Dur. - Average Agreement Duration
Empls. - Number of Employees
Avg. Adj. - Average Annual Adjustment

Table 4 (continued)

**Effective Wage Adjustment in Base Rates, by Major Industry Division, with and without COLA,
by Year and Quarter**

	Non-COLA Agreements				COLA Agreements				All Agreements			
	Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.
	(Months)	(Months)	(000's)	(%)	(Months)	(Months)	(000's)	(%)	(Months)	(Months)	(000's)	(%)
Information and Culture												
1998	11	40.9	23.3	1.1	1	48.0	1.1	2.4	12	41.2	24.4	1.1
1999	14	32.6	34.8	2.5	4	56.7	11.2	2.4	18	38.5	46.0	2.5
2000	8	39.4	10.3	2.9	-	-	-	-	8	39.4	10.3	2.9
2000 II	-	-	-	-	-	-	-	-	-	-	-	-
III	1	36.0	1.7	2.0	-	-	-	-	1	36.0	1.7	2.0
IV	4	42.5	4.6	3.7	-	-	-	-	4	42.5	4.6	3.7
2001 I	1	36.0	3.6	3.7	-	-	-	-	1	36.0	3.6	3.7
Finance, Real Estate and Management Services												
1998	12	24.2	22.8	0.7	2	50.4	1.3	2.6	14	25.6	24.2	0.8
1999	4	34.5	2.9	2.8	-	-	-	-	4	34.5	2.9	2.8
2000	8	40.4	20.0	2.5	2	48.3	3.9	3.0	10	41.7	23.9	2.6
2000 II	4	29.0	4.5	1.7	1	36.0	1.1	2.8	5	30.4	5.6	1.9
III	3	46.2	14.4	2.7	1	53.0	2.8	3.0	4	47.3	17.2	2.8
IV	-	-	-	-	-	-	-	-	-	-	-	-
2001 I	1	12.0	0.8	3.5	-	-	-	-	1	12.0	0.8	3.5
Education, Health and Social Services												
1998	133	32.9	350.8	1.4	2	28.1	1.1	0.8	135	32.9	351.9	1.4
1999	139	36.5	298.3	1.8	-	-	-	-	139	36.5	298.3	1.8
2000	189	38.2	491.6	2.6	2	31.7	1.4	3.6	191	38.1	493.0	2.6
2000 II	34	30.3	52.9	3.7	-	-	-	-	34	30.3	52.9	3.7
III	16	21.2	24.7	2.8	1	24.0	0.5	1.6	17	21.2	25.2	2.8
IV	46	24.6	74.3	3.4	1	36.0	0.9	4.7	47	24.7	75.2	3.4
2001 I	38	26.0	80.2	4.3	1	60.0	3.5	2.2	39	27.4	83.7	4.2
Entertainment and Hospitality												
1998	10	38.2	9.9	3.5	1	36.0	0.6	1.5	11	38.1	10.5	3.4
1999	14	33.6	13.3	2.6	-	-	-	-	14	33.6	13.3	2.6
2000	5	47.1	7.1	3.1	-	-	-	-	5	47.1	7.1	3.1
2000 II	-	-	-	-	-	-	-	-	-	-	-	-
III	3	44.4	4.0	2.3	-	-	-	-	3	44.4	4.0	2.3
IV	2	50.5	3.1	4.1	-	-	-	-	2	50.5	3.1	4.1
2001 I	1	36.0	0.6	3.0	-	-	-	-	1	36.0	0.6	3.0
Public Administration												
1998	62	28.6	247.8	1.8	-	-	-	-	62	28.6	247.8	1.8
1999	48	28.6	144.3	2.2	1	36.0	0.7	2.3	49	28.6	145.0	2.2
2000	69	25.9	293.3	2.3	1	36.0	5.3	2.3	70	26.1	298.6	2.3
2000 II	17	17.1	145.5	2.1	1	36.0	5.3	2.3	18	17.8	150.7	2.1
III	15	35.5	23.4	2.6	-	-	-	-	15	35.5	23.4	2.6
IV	16	33.6	37.2	2.4	-	-	-	-	16	33.6	37.2	2.4
2001 I	5	27.9	11.3	3.6	2	35.7	32.9	3.0	7	33.7	44.2	3.1

Agmts. - Number of Agreements
Dur. - Average Agreement Duration
Empls. - Number of Employees
Avg. Adj. - Average Annual Adjustment

Table 5
Effective Adjustment in Base Rates, Number of Agreements and Employees Covered,
by Year and Quarter

	1998	1999	2000	2000 - 2001			
				1	2	3	4
All Industries							
Wage Adjustment (%)	1.7	2.2	2.5	2.5	2.3	2.9	3.6
Number of Agreements	403	376	389	85	60	92	70
Number of Employees (000's)	920.6	821.7	1,071.8	242.4	136.8	152.1	159.1
Private Sector							
Wage Adjustment (%)	1.8	2.7	2.3	2.4	1.9	2.2	2.4
Number of Agreements	182	158	97	28	20	20	18
Number of Employees (000's)	274.4	314.7	164.2	33.2	59.9	27.9	20.6
Public Sector							
Wage Adjustment (%)	1.6	1.9	2.5	2.5	2.6	3.1	3.7
Number of Agreements	221	218	292	57	40	72	52
Number of Employees (000's)	646.3	507.0	907.6	209.2	76.9	124.2	138.6
Federal Administration							
Wage Adjustment (%)	2.2	2.9	2.1	2.0	2.2	2.4	4.0
Number of Agreements	16	10	18	7	2	3	2
Number of Employees (000's)	124.2	53.2	154.8	119.5	2.1	13.3	7.6
Federal Crown Corporations							
Wage Adjustment (%)	2.2	2.3	2.2	3.4	-	-	-
Number of Agreements	7	6	3	1	-	-	-
Number of Employees (000's)	8.3	19.8	46.6	0.6	-	-	-
Provincial Administration							
Wage Adjustment (%)	1.7	1.6	2.5	2.6	2.3	2.7	2.9
Number of Agreements	30	21	37	4	11	6	4
Number of Employees (000's)	112.2	73.9	114.4	4.1	30.7	11.1	36.8
Local Administration							
Wage Adjustment (%)	1.5	2.3	2.5	2.5	2.6	2.6	2.7
Number of Agreements	32	34	33	10	6	13	4
Number of Employees (000's)	48.3	44.2	69.2	30.8	5.8	20.1	5.0
Education, Health and Welfare							
Wage Adjustment (%)	1.4	1.8	2.6	3.7	2.8	3.4	4.3
Number of Agreements	134	137	190	33	17	48	37
Number of Employees (000's)	351.3	292.7	491.0	52.4	25.2	76.3	79.3
Public Utilities							
Wage Adjustment (%)	1.4	2.1	3.4	2.8	3.2	2.8	3.2
Number of Agreements	2	10	11	2	4	2	5
Number of Employees (000's)	2.1	23.3	31.5	1.9	13.1	3.3	9.9

Table 6
Selected Economic Indicators,
by Year and Quarter

	1998	1999	2000	2000 - 2001			
				2	3	4	1
Wage Settlements (%)	1.7	2.2	2.5	2.5	2.3	2.9	3.6
Public Sector (%)	1.6	1.9	2.5	2.5	2.6	3.1	3.7
Private Sector (%)	1.8	2.7	2.3	2.4	1.9	2.2	2.4
Agreements in Force (%)	1.7	1.9	2.2	2.2	2.3	2.3	2.4
Public Sector (%)	1.4	1.7	2.1	2.1	2.2	2.2	2.3
Private Sector (%)	2.3	2.2	2.4	2.4	2.5	2.5	2.5
Consumer Price Index Per Cent Change ¹	0.9	1.7	2.7	2.4	2.7	3.1	2.8
GDP ² at Factor Cost ³ Per Cent Change ¹	3.1	4.3	4.5	4.9	4.1	3.9	2.6
Labour Productivity Growth (%)	0.7	1.5	1.2	1.3	1.3	0.4	-0.7
Unit Labour Cost (%)	1.4	1.3	2.0	2.5	1.8	2.2	2.6
Unemployment Rate ³ (%)	8.3	7.6	6.8	6.7	6.9	6.9	7.0
Employment (000's) ³	14,140	14,531	14,910	14,881	14,918	15,028	15,062
Per Cent Change ¹	2.7	2.8	2.6	2.8	2.3	2.3	1.6
Average Weekly Earnings ³	\$ 632.09	\$ 638.83	\$ 653.49	\$ 651.70	\$ 656.37	\$ 657.81	\$ 661.18
Per Cent Change ¹	1.4	1.1	2.3	2.3	2.3	2.5	2.0
Average Hourly Earnings	\$ 15.81	\$ 16.07	\$ 16.52	\$ 16.56	\$ 16.45	\$ 16.47	\$ 16.64
Per Cent Change ¹	1.5	1.6	2.8	3.4	2.9	1.5	0.2

¹ Per cent change from the same period of the previous year

² GDP – Gross domestic product at factor cost (1992) prices

³ Seasonally adjusted data

TECHNICAL NOTES

The information in this report is produced from collective agreement settlements in Canada which cover 500 or more employees in all industries. A few settlements are excluded where the basis of payment is on a piece/mileage rate basis.

The construction industry is excluded prior to 1983.

The Base Rate

The base rate is the lowest paid classification used for qualified workers in the bargaining unit. In most instances, the base rate is the rate of pay for an unskilled or semi-skilled classification of workers. However, this is not the case in contracts covering only skilled workers and professional employees.

As only the base rate in a contract is used, the resulting data on percentage change do not necessarily reflect the average wage change for all workers in the bargaining unit. For example, where an across-the-board increase is negotiated for all classifications in cents per hour (or other money terms), measurement on the base rate produces higher results than measurement on any higher rate, including the average rate. Where varying percentage or money increases are negotiated for different classifications, measurement on the base rate may produce results that are higher or lower than measurement on the average rate. Where an across-the-board increase is negotiated for all classifications in percentage terms, measurement on the base rate produces results identical to measurement on any other rate, including the average rate. It should be noted that information on the average rate for all employees in a bargaining unit is not available.

Effective Wage Increase

The effective wage increase is the increase in rates of pay including estimated **cost-of-living allowance (COLA)** payments. Estimates of the yield of COLA clauses are obtained by quantifying the characteristics of these clauses in each agreement and applying a combination of actual Consumer Price Index (CPI) increases available to date plus a specified projected inflation rate for the remainder of the contract duration.

In succeeding quarters, these estimates are revised using actual CPI values as they become available.

In the current report, an **inflation projection of 2.0 per cent** has been used when the actual rate is unknown. This figure is based on a rounded average of inflation forecasts and is intended for illustrative purposes only and does not constitute an official forecast by Human Resources Development Canada. The use of different inflation rate scenarios could result in varying settlement increases. The inflation projection used will be revised periodically to reflect prevailing economic conditions.

By including reasonable estimates of future payments under COLA clauses, the effective wage increase concept facilitates an accurate comparison of agreements with and without COLA and permits the aggregation of all agreements to yield an improved measure of wage settlements.

Public and Private Sectors

The principal unit of observation is the collective bargaining unit; however, the designation for inclusion in the public sector is by reference to characteristics of the employer with whom a bargaining unit negotiates. Reference to the employer characteristics makes the directives consistent with Statistics Canada's use of "institutional units" or "entities".

While the criteria relate to the classification of the public sector only, *the private sector is defined by exclusion.*

Public sector bargaining units negotiate wages or other working conditions with an employer who is part of, or an agent of, a government or a government business enterprise. The distinction between the two is whether the activity engaged in is "non-commercial" (Government) or "commercial" (Government Business Enterprise).

Government (Non-Commercial)

The government component comprises all non-commercial entities controlled by governments and mainly financed out of general taxation or other public

funds. These entities provide goods and/or services free or at non-market prices (not having a view to profit).

Sub-sectors of the government component are identified below:

(1) Federal Government

Collective bargaining in the federal government component is conducted under the *Public Service Staff Relations Act* (Parts 1 and 2), and the *Parliamentary Employment and Staff Relations Act*.

(2) Provincial and territorial governments

- (a) provincial and territorial government administration;
- (b) health, education and social services agencies or institutions:
 - (i) public hospitals,
 - (ii) provincial residential care facilities,
 - (iii) universities,
 - (iv) colleges, vocational and trade institutions,
 - (v) social services business enterprise,
 - (vi) provincial elementary and secondary schools.

(3) Local Government Administration

- (a) local government organizations such as: municipalities, boards, commissions;
- (b) school boards;
- (c) social services: establishments at the local level primarily engaged in providing basic domiciliary care only, such as homes for the aged, blind or senile, boarding houses for the aged, day nurseries, shelters, etc.

Government Business Enterprise (Commercial)

The commercial component of the public sector is divided into three broad sub-groupings, based on degree

of governmental control, as follows:

(1) Direct Control

A commercial enterprise is directly controlled by a government if one of the following conditions is met:

- (a) a government holds more than 50 per cent of its voting equity, directly;
- (b) a government has irrevocable options or the right to acquire shares, or convertible debt or equity, exercisable at the discretion of that government.

(2) Effective Control

A commercial enterprise is effectively controlled by a government if one of the following conditions is met:

- (a) the government holds a significant voting ownership in a public enterprise, where "significant" is understood as:
 - (i) the holding is the largest block of voting equity; and
 - (ii) the holding exceeds 33.3 per cent of the voting equity; and
 - (iii) the block is larger than the combined percentage of the next two largest blocks;
- (b) the commercial enterprise declares that it is effectively controlled by a government;
- (c) there exists a method or variety of methods (e.g., significant voting ownership of the enterprise, technological agreements, supply controls or contracts, management contracts, interlocking directorships, etc.)

(3) Indirect Control

A business enterprise is indirectly controlled by a government if that government directly or effectively controls a government business enterprise, which in turn directly or effectively controls that enterprise.

Conversion to a Modified NAICS 1997

The Workplace Information Directorate has converted its definition of industrial structure to the North American Industry Classification System (NAICS). NAICS is a classification system developed by the statistical agencies of Canada, Mexico and the United States to provide common definitions on the industrial structure of the three economies. Using the NAICS framework, 20 larger sectors were regrouped into 11 large industry sectors.

NAICS (1997) (20 sectors)		NAICS – LABOUR (11 sectors)
(11)	Agriculture, forestry, fishing and hunting	— Primary Industries
(21)	Mining and Oil and Gas Extraction	
(22)	Utilities (electric power, gas distribution, water supply, sewage...)	— Utilities
(23)	Construction	— Construction
(31 to 33)	Manufacturing	— Manufacturing
(41)	Wholesale Trade	— Wholesale and Retail Trade
(44, 45)	Retail Trade	
(48, 49)	Transportation (postal services, couriers, warehousing and storage)	— Transportation
(51)	Information and Cultural Industries (publishing, broadcasting, telecommunications, information services)	— Information and Culture
(52)	Finance and Insurance	— Finance, Real Estate and Management Services
(53)	Real Estate and Rental and Leasing	
(54)	Professional, Scientific and Technical Services (advertising, translation, veterinary services...)	
(55)	Management of Companies and Enterprises	
(56)	Administrative and Support, Waste Management and Remediation Services (employment and travel agencies, security guard services, business support services)	
(61)	Educational Services	— Education, Health and Social Services
(62)	Health Care and Social Assistance	
(71)	Arts, Entertainment and Recreational Services	— Entertainment and Hospitality
(72)	Accommodation and Food Services	
(81)	Other Services (barber shops, funeral homes, dry cleaning, photo finishing, parking lots)	
(91)	Public Administration (federal, provincial and municipal administration)	— Public Administration

WORK STOPPAGES – 2001 AND CHRONOLOGICAL PERSPECTIVE

Workplace Information Directorate
Labour Program, Human Resources Development Canada

Major Work Stoppages (500 or more workers)

Summary

There were 11 work stoppages involving 500 and more workers during the first quarter of 2001 in Canada. In Ontario, the strikes at Falconbridge Ltd. and at McMaster University respectively represent 43,710

and 34,650 person-days not worked, which is approximately 38 per cent of the person-days not worked during the first quarter. During the same period, the strike by the Calgary Transit workers accounted for 60,450 person-days not worked.

Table 1

Major Work Stoppages by Jurisdiction
First Quarter 2001

Jurisdiction	Stoppage	Workers Involved	Person-Days Not Worked
Newfoundland	-	-	-
Prince Edward Island	-	-	-
Nova Scotia	-	-	-
New Brunswick	1	2,500	7,140
Quebec	2	2,135	13,930
Ontario	6	19,700	124,490
Manitoba	-	-	-
Saskatchewan	-	-	-
Alberta	1	1,950	60,450
British Columbia	-	-	-
Territories	1	614	900
Multiprovince	-	-	-
Total Provinces	11	26,899	206,910
Canada Labour Code-Part I	-	-	-
Federal Administration	-	-	-
Federal Total	-	-	-
Total	11	26,899	206,910

Source: Workplace Information Directorate

Table 2

Major Work Stoppages by Industry
First Quarter 2001

Industries	Stoppage	Workers Involved	Person-Days Not Worked
Primary Industries	2	2,510	56,810
Manufacturing	1	2,000	18,330
Construction	-	-	-
Transportation, Communication and Other Utilities	1	1,950	60,450
Trade and Finance	1	825	830
Community, Business and Personal Services	6	19,614	70,490
Public Administration	-	-	-
Various Industries	-	-	-
Total	11	26,899	206,910

Source: Workplace Information Directorate

All Work Stoppages (one or more workers)

Table 3

All Work Stoppages by Jurisdiction Fourth Quarter 2000

Jurisdiction	Stoppage	Cumulative to December 31, 2000	
		Workers Involved	Person-Days Not Worked
Newfoundland	13	3,640	29,270
Prince Edward Island	-	-	-
Nova Scotia	5	259	10,250
New Brunswick	4	1,232	24,270
Quebec	119	25,188	312,580
Ontario	141	52,492	647,590
Manitoba	10	1,448	40,890
Saskatchewan	5	433	12,710
Alberta	11	8,500	59,380
British Columbia	46	40,767	399,180
Territories	1	420	1,260
Multiprovince	1	84	2,450
Total Provinces	356	134,463	1,539,830
Canada Labour Code-Part I	21	9,107	121,820
Federal Administration	-	-	-
Federal Total	21	9,107	121,820
Total	377	143,570	1,661,650

Source: Workplace Information Directorate

Table 4

All Work Stoppages by Industry Fourth Quarter 2000

Industries	Stoppage	Cumulative to December 31, 2000	
		Workers Involved	Person-Days Not Worked
Primary Industries	15	17,002	286,020
Manufacturing	135	22,441	440,680
Construction	7	865	15,540
Transportation, Communication and Other Utilities	40	7,438	105,170
Trade and Finance	49	10,764	122,230
Community, Business and Personal Services	107	49,098	472,950
Public Administration	24	35,962	219,060
Various Industries	-	-	-
Total	377	143,570	1,661,650

Source: Workplace Information Directorate

A weekly listing of major work stoppages in Canada and a full chronological perspective are available on the Workplace Information Directorate Web site at:

<http://labour-travail.hrdc-drhc.gc.ca/doc/wid-dimt/eng/>

Table 5

Work Stoppages – A Chronological Perspective

Period	Number beginning year or month	in existence during year or month*			% of Estimated working time
		Total Number	Workers involved	Person-days not worked	
1990	519	579	270,471	5,079,190	0.17
1991	399	463	253,334	2,516,090	0.09
1992	353	404	149,940	2,110,180	0.07
1993	323	381	101,784	1,516,640	0.05
1994	312	374	80,856	1,606,580	0.06
1995	282	328	149,159	1,583,070	0.05
1996	297	330	281,816	3,351,850	0.11
1997	229	284	257,664	3,610,210	0.12
1998	341	381	244,402	2,443,880	0.08
1999	358	413	158,612	2,445,740	0.08
2000	319	377	143,570	1,661,650	0.05
2000					
January	27	85	18,169	146,130	0.06
February	26	84	11,832	72,630	0.03
March	31	89	36,038	162,440	0.06
April	36	93	24,517	153,400	0.06
May	29	93	13,991	114,270	0.04
June	25	97	23,101	141,520	0.05
July	25	80	18,780	135,650	0.05
August	24	79	10,374	106,460	0.04
September	22	76	17,186	115,360	0.04
October	36	87	33,054	194,780	0.07
November	18	77	16,867	203,810	0.07
December	20	77	10,985	115,170	0.04

* Refers to work stoppages which began during the year or month as well as those carried over from the previous year or month.

Source: Workplace Information Directorate

TECHNICAL NOTES

Data on work stoppages collected by the Workplace Information Directorate of the Labour Program of Human Resources Development Canada covers strikes and lockouts which amount to ten or more person-days lost.

A strike is a concerted work stoppage by a group of employees which is done in order to bring about a change in an employer's position, and it occurs during the negotiating process. A legal strike is one that respects all the conditions mandated by law, most notably that the strike is taking place during negotiations. A strike will be declared illegal if it does not respect the applicable laws. A lockout occurs when work is suspended by the employer or a group of employers in order to pressure employees to change their position, and a lockout must also occur during the negotiating process.

Developments leading to work stoppages are sometimes too complex to make it practicable to distinguish between strikes on the one hand and lockouts on the other.

The major characteristics of work stoppages on which information is gathered are:

Employer – Firm or firms employing the workers reported on strike or locked out.

Location – Location of the plant or premises at which the work stoppage occurred.

Industry – Industry of employer according to the Standard Industrial Classification, Statistics Canada (Revised 1970).

Union – The workers' organization(s) directly involved or concerned in the dispute that led to work stoppage.

Workers Involved – The total number, or approximate total number, of workers reported on strike or locked out, whether or not they all belonged to the union directly involved in the dispute that led to work stoppage. Where the number of workers involved varied in the course of the stoppage, the maximum number is used in tabulating annual or other totals. (Where a stoppage commenced in a previous year, the maximum number during the whole stoppage is

the number used). Monthly totals are similarly based on the highest figures but allowance is made for changes reported in stoppages extending over two or more months. The total number of workers shown may include the same workers more than once if they are involved in more than one work stoppage during the year (or other reference period). Workers indirectly affected, such as those laid off as a result of a work stoppage, are not included in the data on workers involved.

Starting Date – The day on which the work stoppage began.

Termination Date – For work stoppages that are terminated by mutual agreement, the termination date is the day on which work was resumed. Where normal operations could not be resumed shortly after the employees agreed to return, the day on which they were available for work is regarded as the termination date. Some work stoppages are never formally settled, and this presents statistical difficulties. In such a case, the stoppage is usually considered terminated for statistical purposes, at the date by which it was established that two-thirds or more of the workers involved had either returned to work, or had found work with other employers; or the date by which it was reported that the operations affected by the work stoppage would not be resumed.

Duration – The duration of each stoppage is calculated in terms of working days, including the starting date and all subsequent normal working days up to the termination date. The days counted as working days are those on which the establishment involved would normally be in operation (five days per week).

Duration in Person-Days – Duration in working days multiplied by the number of workers involved. For work stoppages involving establishments in which the number of weekly working days (see Duration above) exceeds the work week of individual employees, the duration in person-days is adjusted by the appropriate ratio. Variations in the number of workers involved in the course of a stoppage are also taken into account in the calculation as far as practicable. The data on duration of work stoppages in person-days are provided to facilitate comparisons of work stoppages in terms of a common denominator; they are not intended as a

measure of the loss of production time to the economy. The expression "Time loss" is occasionally used instead of "duration in person-days". The term most commonly used is person-days not worked due to the duration in person-days of all work stoppages in a year is also shown as a percentage of estimated working time based on estimates of the number of non-agricultural paid workers in Canada obtained from the Labour Force Survey of Statistics Canada.

Jurisdiction – Statistics on work stoppages are also classified according to jurisdiction. This is done on the basis of the government and those businesses

covered by Part 1 of the *Canadian Labour Code* whose industrial relations statistics are applicable to the establishment involved in the dispute. (The tabulation of statistics on work stoppages by jurisdiction corresponds to a tabulation by province, except where the Federal jurisdiction is involved.)

The data reflect all work stoppages that have come to the notice of Workplace Information Directorate, and meet the criteria defined above, e.g., minimum person-days. The methods used to secure this information are believed to be adequate to preclude the possibility of major omissions.

INNOVATIVE WORKPLACE PRACTICES

Suzanne Payette
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This overview of innovative practices is drawn from settlement reports of approximately 75 collective agreements that were settled in January, February and March 2001.

Duration

For the second quarter, the long-term trend to collective agreements has been broken. In fact, long-term agreements are the exception in this quarter. Loblaw's Supermarkets and United Food and Commercial Workers Union have signed a 72-month agreement; Mont-Tremblant Station and Scott Papers have signed 60-month agreements; British Columbia's Kootenay Lake Board of Trustees and the Canadian Union of Public Employees have signed a 54-month agreement; 48-month agreements were signed by the following: Government of Quebec and Quebec Provincial Police Association, an Ontario Kawartha Pine Ridge District School Board, the Waterfront Foremen Employers Association and the International Longshore and Warehouse Union Canada, Danone Waters and the United Food and Commercial Workers Union.

By far, the most prevalent duration this quarter is the 36-month agreement. There are also a number of 24-month agreements and a surprising number of 12 month agreements, many in the education sector of Ontario.

Labour-Management Committees

Provisions dealing with the creation of joint labour-management committees are very popular. For example, at Saskatchewan Telecommunications, an advisory labour-management committee is the final decision-making body for all job ratings. In the Toronto District School Board, a labour-management Benefits Review Committee will focus on cost containment, benefits improvements and efficiencies. A number of school boards have introduced staffing and surplus/transfer joint committees. Route assignments (Maple Lodge Farms) and work schedules (Danone Waters) are handled through labour-management joint committees. At Hub Meat Packers, a joint committee was created to focus on absenteeism reduction and target setting.

Compensation and Working Conditions

Hub Meat Packers and United Food and Commercial Workers Union have renewed a **profit-sharing plan** where employees will receive the greater of \$250 or 6.0 per cent of company profits in each year. Alcan Smelters and Chemicals has a **target bonus** of 6.0 per cent linked to business centre and overall profits. AT&T Canada Long Distance Services has set

Distribution of Contract Duration, 1995-2000

Year	Number of Agreements	1 Year and Less (%)	More Than 1 to 2 Years (%)	More Than 2 to 3 Years (%)	More Than 3 Years (%)	Average Duration (in months)
1995	402	14	21	51	14	32.8
1996	378	16	31	38	15	32.6
1997	379	17	26	36	21	34.0
1998	403	7	29	43	21	32.0
1999	377	6	31	37	25	36.4
2000	374	13	17	38	32	35.3

a **performance bonus** at 4.0 per cent to be paid if the company meets its performance targets. Aventis Pasteur has introduced a **performance bonus** of \$500 to be paid at the end of the second year of the agreement, based on the successful attainment of five company objectives. Hydro One reports a **performance pay plan** where minimum performance payouts of 1.0 per cent of base payroll based on corporate and line of business results, with a payout capped at 4.0 percent.

Canadian Pacific Limited and the Steelworkers have improved a **gain-sharing plan** based on specific performance criteria, where participating employees will share 40 per cent of the productivity gains achieved in each year of the contract. Enbridge Consumers Gas has introduced a **profit-sharing plan** where corporate and team targets of 2.5 per cent are achieved, eligible employees will receive between 0.0 and 3.75 per cent of base income as a lump-sum payment.

Canadian Pacific Limited has introduced an employee **stock purchase plan** where the employer pays brokerage fees.

Alcan Smelters and Chemicals has settled a market-based salary adjustment. Wage adjustments are based on the aluminum industry wage rates, with a guarantee of 1.0 per cent more than the highest rate in the industry using a weighted average. The market-based adjustment for 2002 will be paid following a survey of wages in 12 major companies. If Alcan's adjustment including the 1.0 per cent guarantee is greater than 3.0 per cent, employees will receive half of the difference as a lump-sum payment. Furthermore, a joint committee will negotiate wage adjustments (as a wage reopener) for 2002 and 2003 using Consumer Price Index forecasts for the next year, salary increase projections, the overall economy, wage increases and Alcan's overall financial situation.

WORKPLACE INFORMATION DIRECTORATE

*Labour Program
Human Resources Development Canada*

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REORGANIZING THE SOBEYS' DISTRIBUTION CENTRE IN MONTRÉAL

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Since 1998, the Sobeys' Distribution Centre in Montréal (previously Les Marchands en alimentation Agora inc.) has been implementing an ambitious business plan. Over the seven-year period to 2005, the two main aims are to dramatically improve labour-management relations and reorganize the work to integrate as closely as possible the various components of the distribution chain. The distribution chain stretches from Sobeys' suppliers, at one end, to its customers – independently owned stores – at the other. The plan, initiated in 1998, has undergone several modifications with regard to their sequential order and implementation timetable. However, management and union share the view that the development of a new relationship depends on a spirit of partnership and that "principled negotiation" has been the key factor in the positive way that the changes have taken place.

Major Changes in the Food Industry

During the last 10 years, the retail food sector has undergone substantial shifts. While there has been a wide variety of changes, industry specialists generally describe the situation in terms of a few main trends.¹ First, the most striking aspect of the food industry today is the steady quantitative demand. This characteristic is directly linked to the low population growth rate, which is now largely dependent on immigration. Fixed demand is forcing food companies to increase market share at the expense of their competitors. In turn, the saturated market is associated with qualitative changes that are reflected in new consumption patterns. The overall aging of the population, increasing time pressures, an ethnically diverse and pluralistic consumer base, the changing composition of families and households, and new income distribution patterns are just some of the factors that create

challenges for food companies in terms of anticipating what foods people will buy and how often they will go to the supermarket, and how these factors affect store layout and specialization.

At the same time, changes have taken place on the supply side as well. Over the last five years, there has been a major restructuring of the leading players, including a number of continent-wide mergers of huge food chains. This trend began in the United States with the important mergers of, first, Kroger and Fred Meyer, and then Albertson and American Stores. The same trend spread to Canada in 1998 with the mergers, in quick succession, of Loblaws and Provigo, and then Sobeys and Oshawa. This trend towards greater concentration of food-industry ownership has particular implications for Quebec, since, unlike the

other provinces, most of the food market in Quebec (approximately 63 per cent) is in the hands of affiliated independent owner-operators. Several of these operators perceive that the recent mergers in Canada are just the beginning of a major offensive by the huge Canada-wide chains to obtain the same market-share pattern in Quebec as the one they have attained in the rest of Canada. Added to this type of supply-side restructuring has been the heightened level of competition caused by the arrival of several new players. Food chains now have to face competition from superstores, "big box" stores, warehouse clubs, and even service stations and drugstores. These non-traditional competitors have become a particular threat, as their share of the food market increased from 6.8 per cent in 1984 to 18 per cent in 1996.

¹ Canadian Labour Market and Productivity Centre, *Creating the Future: Human Resources Study of the Canadian Food Retail and Wholesale Sector*, 1998, 128 pages.

Gilles Corriveau, *Profil socio-économique du commerce de détail en alimentation au Québec* (a study conducted for the Quebec food retailers' association), 1998, 52 pages.

The Company

The Montréal facility is Sobeys' main distribution centre in Quebec. Located in North Montréal, it employs 750 workers in addition to managerial and administrative staff. The 750 employees are represented by Local 501 of the United Food and Commercial Workers International Union. The distribution centre supplies owner-operators belonging to a leading chain, IGA, and to many mid-market chains, such as Marché Tradition, Bonichoix, Omni, Bonisoir, Sertard, Le Dépanneur and Voisin.

The Montréal distribution centre underwent a major change in ownership structure in the late 1990s when, after being part of the Canadian company Oshawa since the early 1970s, it was involved in the mega-merger that took place in Canada between Oshawa and Sobeys. At the time, Sobeys, which was well established in eastern Canada, especially in the Atlantic provinces, took over a competitor that was mainly based in Ontario and Quebec. As a result of this merger, the new company became a prominent national player in the Canadian food industry and is, in fact, now the second largest after Loblaws.

Local Autonomy

The Montréal branch enjoys a significant measure of decision-making autonomy. This continues a practice that began when it was owned by the Oshawa group until 1998 and operated as Les Marchands en alimentation Agora. For almost all that time, Oshawa had a policy of decentralization that gave considerable managerial latitude to its various branches.

This changed in 1997, when company headquarters reversed direction and tried to impose a company-wide managerial vision. However, this process had only just begun when the Sobeys group made its takeover bid. The new owner was totally amenable to the proposal from the Montréal branch to go ahead with an ultra-ambitious new business plan. As a result, although ultimate decision-making authority is still based outside Quebec, the Montréal operation continues to enjoy considerable autonomy, even though it is integrated into the new company. A good illustration of this is the fact that Pierre Croteau, the former Agora president, has been appointed president of Sobeys-Québec. Sobeys-Montréal is currently part of a relatively decentralized decision-making structure. Under a "management by objectives" approach, local managers are assessed on their results and given considerable latitude to choose how they want to achieve those results.

Servicing Independently Owned Stores

The centre distributes food products to several groups of independently owned but affiliated stores operating under a range of trade names. However, this arrangement entails a constraint related to the structure of food-industry competition in Quebec. In 1999, market shares in the Quebec food industry were as follows: Loblaws-Provigo, 38 per cent; Métro, 35 per cent; and Sobeys-IGA, 22 per cent. This pattern shows that independently owned food stores tend to be affiliated with either Métro or Sobeys-IGA. In this context, Métro plays a crucial role as an alternative supplier for Sobeys clients, if ever the Montréal

centre's services fail to meet the affiliated independents' expectations. On the other hand, becoming a non-affiliated independent is not a realistic option, since all food-sector experts agree that this category of operation has suffered the most during the current industry upheaval.

Another constraining factor lies in the fact that the bulk of the Montréal centre's clients belong to the IGA group. Members of this group are particularly involved in the communities served by their stores and, in fact, often live in the neighbourhood. They are thus very sensitive to what their customers want and, in their desire to provide personal service, expect a considerable degree of flexibility and adaptability from their distribution centre.

Changes

The accelerated way in which changes took place in the food industry during the 1990s caused a profound shake-up in thinking at the Montréal distribution centre. As early as 1995, both management and union leaders at the centre realized that what they were witnessing was the first signs of a fundamental transformation in the food industry and that it was becoming increasingly necessary to make a radical change in business direction. The decision by Oshawa group headquarters to move towards centralization became an urgent requirement. Indeed, the decision to apply a common managerial policy to all the group's units across the country threatened the Montréal branch with being obliged to comply with corporate headquarters' national vision. Since local management was in favour of a different vision – one based on

setting up a "mega" distribution centre rather than many specialized centres – it worked with local union representatives to develop an alternative business plan. This plan, which was completed in April 1998 and which has been the driving force behind the changes that have taken place since then, is based on four strategic objectives.

These four objectives are as follows:

- improving service to client stores;
- improving operational efficiency and lowering unit costs per case;
- acquiring better control over operating processes through changes to infrastructure and technology; and
- implementing a fresh new approach to human resources management based on openness, trust and involvement.

The business plan contains 37 individual projects that are to be carried out between 1998 and 2005. The main changes are divided into two broad categories: a new approach to human resources management, and work reorganization.

A New Approach to Human Resources Management

To understand the new approach to human resources management, it may be useful to briefly describe the context of the previous collective agreement. When bargaining began in 1995, management sought to lower its costs through concessions on working hours, reducing the excessive level of overtime caused by longer retail

opening hours. After a year of bargaining, the parties came to an agreement whereby management's contribution to insurance plans was reduced and an adjustment to employee working hours, including a week of 4 days of 10 hours each. These new working hours will make it possible to partially eliminate overtime and improve the centre's financial situation. However, this agreement, which was in effect until 2000, deeply divided the union. In fact, when it was submitted to the general membership as recommended by the union's bargaining team, it was ratified with a majority of only four votes. The largest criticism was a perception that the employer wanted to reduce costs at the workers' expense. Discontent grew within the union, with groups of members criticizing their representatives for recommending an agreement that they claimed favoured management. This disunity created such unhealthy labour-management relations that, in fall 1996, the union representatives resigned from the workplace relations committee that had been created to settle disputes during the life of the agreement.

This deterioration in labour-management relations naturally caused serious concern to both sides, since they were both well aware that the rapid changes occurring in the food industry were going to force them to take decisions requiring a united front. Fortunately, new individuals appeared on the scene who were able to help in this respect. On the union side, the president of Local 501 took advantage of the departure of the local's full-time servicing representative to replace him with a person who had previously worked in the same position for the International Ladies'

Garment Workers Union. The new representative had acquired valuable experience in labour-management collaboration in a context of corporate reorganizations. As soon as this representative was appointed in November 1996, he started bringing both sides together by convincing the hold-out union members to "bury the hatchet" and re-establish "bridges" with management. On the management side, a decision was made in summer 1997, shortly before the Sobeys takeover bid, to bring in some "new blood" to be responsible for the major restructuring of the distribution centre. Three new executives were hired to act as "change agents." For them, union involvement meant an additional challenge to carry out the centre's transformation. From then on, these three executives, serving as logistics manager, labour relations manager, and training and organizational development manager, will be part of the driving forces in the implementation of the centre's new business plan.

New Business Plan

The new centralization policy emanating from Oshawa group headquarters in 1997 triggered the fundamental changes that would enable the Montréal centre to deal with the successive changes taking place in the food industry. As already mentioned, the approach favoured by the centre itself was the opposite of that favoured by company headquarters. Local management opted for a strategy whereby they would develop a vast, multi-year restructuring plan with a specific implementation timetable that would be submitted for approval to headquarters. As a result, from early 1998 until late April of the same year, senior executives, with the prior assur-

ance of union support, devoted virtually all their time to developing the restructuring proposal. During this period, the union agreed to prepare their representatives by having them take training in workplace transformation and visit other state-of-the-art food distribution centres. The new business plan was submitted to the union and to all the centre's employees in late April 1998. One of the main thrusts in the plan was a fresh approach to human relations management, based, so far as the union was concerned, on openness, trust and a spirit of partnership in its dealings with management, and, on the workers' side, on involvement and accountability in relation to their work performance. In addition, particular emphasis was placed on discussion, analysis and reflection as the best way to solve problems. As we shall see, these new principles were quickly applied.

Employees' Concerns

The business plan identified a series of objectives proposed by local management, but did not explain how these were to be achieved. Consequently, when the plan was presented to the union membership, employees questioned management's motives, especially since management had just succeeded in inserting an orphan clause into the office employees' agreement. Employees were particularly concerned about how the proposed changes would affect the existing collective agreement, which still had two more years to run. Their concern was all the greater because the new plan made no reference at all to the collective agreement.

On the other hand, management were clear about what they wanted. They proposed objectives, but were relying on the union and the employees to collaborate with them in a new approach, based on the principles identified in the business plan, and determine how these objectives could be achieved. This approach basically consisted of jointly deciding how to find "win-win" solutions that would

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accommodate each side's interests. The union agreed to try the new approach, on the understanding that the idea was not to change the collective agreement. The union was essentially looking to ascertain management's true intentions and, at best, identify as many solutions as possible that did not affect the collective agreement.

The "Balloon" Approach

Both parties agreed to hold regular meetings for a month in an effort to identify solutions. As a way of underscoring this new approach that was totally separate from the collective agreement, the meetings were chaired by two facilitators, one from the management and the other from the union. In addition,

the participants, consisting of 5 senior management representatives and 10 union representatives, broke the classic mould of confrontational bargaining by sitting side by side around the negotiating table. The aim was to discover ways of increasing the centre's operating efficiency and reducing its distribution cost per case. It was understood that discussions would proceed without any reference to the collective agreement. Initial progress was slow, as participants were reluctant to speak. There was little extended discussion, and very few solutions were found. However, after being given a couple of days to consult with their colleagues, some participants proposed the "balloon" approach. Under this approach, which immediately received group approval, as soon as a participant suggested a topic, this subject or "balloon" was explored as long as any of the participants wished to pursue it. Conversely, if the "balloon" burst, another took its place. This approach, based on a well-known problem-solving strategy, played a key role in creating a climate of trust between the union and management. As a result, solutions were identified in a manner that took into account both parties' interests, and were adopted only when there was a consensus.

Over approximately 15 meetings, numerous solutions were proposed on how to lower case-handling costs. The management representatives acknowledged that some of the most creative suggestions originated with the union representatives and would never have been discovered without them. An example was the creation of a new category of part-time worker as a means of reducing what was still considered to be an excessive

amount of overtime. In this way, participants were able to come up with ways of reducing case-handling costs, but had not yet mentioned the question of changing the collective agreement. However, the basic solutions could not be applied without violating the collective agreement. Both sides came to the conclusion that not only was this step inevitable, but there was also little time left to take action, since they were only 10 days away from their self-imposed deadline. Since the "balloon" approach had demonstrated that it was indeed possible to change traditional patterns of labour-management relations, the union agreed to continue discussions. However, it posed two conditions: first, it asked to increase the number of participants to include replacement and former union representatives, for a total of approximately 40 union participants; and, second, it wanted to have the final result submitted to the general union membership the day after the deadline passed.

Proposal Rejection by Union Membership

Certain provisions of the collective agreement were modified to accommodate the proposed solutions for lowering case-handling costs. In accordance with the principles adopted at the outset, this procedure was carried out in a way that took into account the interests of both sides. On the union side, it was understood that any proposed changes would not affect existing provisions related to wages, employment and seniority. Although there were still a few minor points to be settled, the parties managed, just one day

before the cut-off date, to agree on a general proposal to change the collective agreement. As such, the proposed changes affected more than half the provisions in the collective agreement. On the other hand, additional clauses were added to allow the parties to operate on the basis of the new principles. One of these clauses provided for the creation of five joint committees to improve certain aspects of the centre's operations. Another clause provided for the annual payment of \$650 per worker into the collective Registered Retirement Savings Plan if the unit distribution cost was lowered. The

Since the "balloon" approach had demonstrated that it was indeed possible to change traditional patterns of labour-management relations, the union agreed to continue discussions.

parties agreed to combine all the proposed changes into a letter of understanding and to include these changes in the collective agreement if approved by the union membership. However, when these proposals were submitted to the union membership, they were rejected by 53 per cent of the members.

This rejection was, naturally, disappointing for the participants who had spent so much time and effort, over several months, in an attempt to radically change the way the distribution centre operated. On the management side, the rejection was seen as the end to their hopes of promoting their local vision, which would inevitably lead to the imposition of headquarters' centralized vision. On the union

side, the close result of the vote sent the message that they had become too absorbed in the negotiations at the expense of their relations with the general membership. Since the general union membership had not been kept informed about the proceedings, they were not prepared to endorse the proposal. One key element at stake was the recommended change to decrease overtime which would result in a reduction of wages for some employees. Therefore, as management began to make decisions to implement the corporate vision, the union galvanized itself to launch an information campaign for its own members. This initiative, which received parallel support from management, was successful, for within a few days, the union asked to resubmit the proposal to the general membership. As an additional incentive, management agreed that voting would take place on the premises. This time, the proposal was approved by 84 per cent of the members. The way was now clear for the business plan to be implemented.

Implementation

The first step taken by the parties was to stabilize their relationship for a period extending beyond the collective agreement, which ran until July 2000. The approval of the proposal was an initial illustration of the "turning over of a new leaf" in relations between management and the union, since, to all intents and purposes, the proposal entailed a voluntary reopening of the collective agreement. A further step took place in October 1998, when the letter of understanding was incorporated into the collective agreement. The parties decided to renew the agreement until July 2003 with a reopening clause on wages.

The new agreement provided for the creation of five "improvement" committees:

- the technological change and working methods committee;
- the perishable-sector improvement committee;
- the non-perishable-sector improvement committee;
- the transportation improvement committee; and
- the occupational health and safety improvement committee.

These joint committees consisted of approximately 10 management representatives and slightly more than 40 worker representatives. Each committee was chaired by one or two facilitators who represented either management or the union. Although committee meetings were officially scheduled to take place monthly, it often happened that they took place every week. To make this approach even more effective, problem-solving training was provided to some 50 workers and training in facilitation was provided to 10 others. Since the committees started functioning in fall 1998, they have succeeded in solving many problems.

Streamlining Job Assignments

At the Sobeys Distribution Centre in Montréal, the union's co-operation is now sought on even minor matters. One of the best examples of this new mode of functioning is the way the problem of how to assign jobs at the beginning of shifts was solved. Before the new business plan came into effect, work was assigned at the beginning of every shift on the basis of employee seniority. Since the number of job categories varied

daily depending on the type and volume of work, assigning work, especially for the night shift, took approximately 30 minutes, resulting in a corresponding delay in starting the work. When the union and management representatives had used the "balloon" approach, they had identified this situation as one of the factors contributing to high unit distribution costs and had agreed to try to rectify it. The first step was to provide for a new job-assignment procedure in the collective agreement that would reduce unproductive work time to a maximum of five minutes at the beginning of every shift. The parties agreed to jointly develop a new procedure that would respect the principle of seniority, and to test the new procedure on one of the shifts. The understanding specified that if the experiment did not produce the desired outcomes, the issue would be pursued "until a practical, effective method was put into practice." The second step was to test the new approach in the workplace. As it happened, this particular problem was solved in relatively short order by the use of an electronic system of job assignments based on worker preferences. The workers were asked to co-operate in the creation and testing of the computerized work-assignment program. This approach can be effective only if workers express realistic preferences taking into account their work experience and seniority. A management representative later commented that a comparison between the jobs assigned electronically during the test and those actually filled during the preceding months showed a virtually identical match. This demonstrated that the workers were well oriented towards this particular objective and had acted in a highly responsible manner.

Job Performance Expectations

The way the workers responded in solving the work-assignment problem was an excellent illustration of their new role in improving productivity at the distribution centre. Not only do they now take part in resolving many problems both within and outside committees, they are also more conscientious and responsible in their work. Order fillers are now expected to try harder to reduce the number of product substitutions, and lift operators are subject to similar expectations to limit the level of breakage. As for truck drivers, they are now expected not only to deliver orders, but also to represent the distribution centre in its dealings with client stores. Since the drivers are in constant contact with the affiliates, they are expected to act as "ambassadors" and work in a way that reflects the distribution centre's high standards of service.

This approach has been enhanced by a new definition of the role played by junior management. As the various changes contained in the business plan are implemented at an accelerated rate, the centre's junior executives are now expected to behave more as "mobilizers" of their work group, rather than as representatives of the employer. Particular importance is attached to communicating with the workers in a way that stimulates the workers' creativity in improving the centre's operating efficiency.

Work Reorganization

After the distribution centre submitted its business plan in April 1998, the Oshawa group's national headquarters was prepared to approve it wholeheartedly, pro-

viding it received union endorsement. When the distribution centre was merged with the Sobey's group a short while later, the new owners decided to maintain the new business plan. This decision was largely due to the renewed collective agreement guaranteeing stable labour-management relations until 2003, which would mean implementation of virtually all the 37 proposed projects. As soon as the business plan was approved by the union's general membership, both sides began to work towards introducing the main changes designed to improve the centre's operating efficiency. These changes, which were to be introduced over the seven-year period from 1998 to 2005, can be combined into two main categories: infrastructure, and processes and technologies.

Infrastructure

To improve operating flexibility, tasks at the distribution centre are structured around two main divisions: perishables (comprising fruits, vegetables and refrigerated or frozen products) and non-perishables (basically, grocery items). The specialized, multi-service centre is being maintained, but will be integrated into the new megacentre during the next two years. Two main factors resulted in a number of recent expansions to the centre. First, the higher consumer demand for perishables led to the construction of a new 21,000 square foot facility. And second, the medium-term plans for major changes to distribution procedures resulted in the purchase in 1998 of a 1,000,000 square foot property adjacent to the distribution centre. This major expansion involves the introduction of a new distribution procedure called cross-docking. The purpose of these initial major changes, which are now

complete, was to streamline shipping and transportation systems through the redesign of loading docks to accommodate longer, 53-foot trailers. Parallel to these infrastructure changes, important decisions have been taken with respect to work processes and technologies.

Processes and Technologies

The company's ultimate aim in changing its procedures is to operationally integrate the supply chain from suppliers through to retail outlets. This ambitious program will likely extend beyond the time assigned to implement the business plan. The changes, generally speaking, will be introduced in two separate stages: an internal phase focussing on the distribution centre as the intermediate component in the supply chain, and an external phase that will focus on the other players, the suppliers and the stores.

The Internal Phase – Transportation and Order Filling

The company has, in recent years, made certain technological changes to its internal procedures. Four years ago, local management decided to computerize the centre's receiving and warehousing systems in order to make the best use of storage space. This change resulted in a 30 per cent increase in the centre's warehousing capacity and made it possible to postpone for several years the expansion projects that would otherwise have been necessary immediately because of higher order volume. The computerized management of the receiving and lift work, with some involvement from purchasing personnel,

represented the first change in working methods. This trend then accelerated with the launching of the in-house phase of operational reorganization.

The internal phase of restructuring began in fall 1998 and is still continuing. It has so far mainly concerned transportation and order-filling procedures. Prior to the new business plan, the operational process, which consisted of the five stages of order reception, invoicing, order filling, loading and shipping, suffered from a major weakness: some operations, especially shipping and delivery, were overly dependent on the specifics of the orders coming from the stores. Furthermore, since invoicing preceded order filling, accounting problems arose in direct proportion to the lack of product availability. These procedures were improved by the radical change of arranging for invoicing to be done just before shipping and inserting a new procedure in its place—the dynamic assignment of delivery routes. Changes to the transportation system were necessary so that the savings gained in the intermediary operations would not be lost later in the distribution process. Computerizing the centre's delivery system proved successful. In fact, in the space of only a few months, the various software programs introduced brought about a considerable reduction in the distances covered and the time required to do so. These programs are able to produce data on 60 trips in 30 seconds. The computerized systems also have the advantage of being able to run simulations, and will facilitate improvements during the external phase when the centre's affiliated clients become more involved. While the results have already been very positive, they could be even better if the

dynamic assignment procedure were applied earlier in the process and not right at the end. These changes to intermediary procedures are continuing.

Software Applications

Changes introduced in the refrigerated and frozen foods section have enabled these products to be distributed to the centre's other sections as soon as the orders have been checked. These changes have taken place in two stages. The first phase involved the introduction of a new software module called TRICEPS. This resulted in improved operating efficiency in several areas: invoices more accurately reflected completed orders; the volume of orders was monitored better during order preparation; and the clerical workload was greatly reduced. As well, the instantaneous updating of inventory meant that the centre's warehouses could be restocked more effectively. However, the increased use of optical scanners did not bring any significant changes. Further changes took place when the "computer-directed labour" and the "variable productivity standards" software modules were introduced. This second series of measures was initiated at the time of the ownership change to enable the centre to adopt the computerized information system used by Sobeys group in its branches across the country. Converting the TRICEPS system to the new EXE system made it possible to introduce the two new modules. Although this changeover commenced more than a year ago, it is not yet finished. These changes are going to have major effects on the work methods of both order fillers and lift operators.

New Work Procedures

In the past, order fillers and lift operators enjoyed considerable latitude in the way they worked. After picking up an order from the clerk, the order fillers were allowed to move around in their forklifts as they wished in order to assemble the orders. With a production quota of 145 and 130 cases per hour for the grocery and frozen-food sections respectively, the order fillers decided for themselves what routes to take and how quickly they filled the orders. The general trend was for order fillers to work quickly so they could finish their workday sooner. This approach had predictable consequences in terms of the quality of work performed and the frequency of work-related accidents. A similar situation occurred with the lift operators, although their dependence on the work of others meant that they were not obliged to fulfill a specific quota.

When the computer-directed labour approach is implemented, order fillers and lift operators will have to follow routes formulated by the computerized information systems, which will be designed to make the best use of the traffic circulation options within the warehouse. From now on, when order fillers pick up orders, they will also receive a computer-generated itinerary on the route to take through the aisles. An additional step will involve the introduction of variable productivity standards. These specify a standard amount of time to fill an order. This standard is calculated according to the size of the order, the types of product to be assembled, and the routes to be followed. Henceforth, order fillers will no longer have daily quotas to meet. When they pick up an order, the computer-generated calculation will tell them

in advance how much time they should devote to each of the tasks required to assemble the ordered items. The main effect of this system is to occupy order fillers throughout the full eight hours of their workday. For the employer, this form of control over the workforce will lead to lower occupational safety costs and higher quality order filling. For the workers, the changes represent a loss of autonomy and their integration into a management system in which the various workforce components are increasingly dependent on one another.

After these two modules have been successfully implemented, the internal phase of the restructuring will be capped off by the use of radio frequencies in the shipping department. This system uses an optical scanning method to indicate a given order's contents. Client stores will be able to quickly identify exactly where on each pallet the products they have ordered are located.

The External Phase – Suppliers and Stores

As the final step in the rationalization of the overall distribution chain, the external phase involves suppliers and stores. The ultimate goal is to encourage "just in time" distribution through cross-docking. For suppliers, this procedure involves making deliveries to the long loading docks while, for the distribution centre, it involves the immediate delivery of the same products to its clients. The cross-docking operation thus involves what is commonly referred to in the industry as simply "transferring goods from one truck to another." The centre supplies 60 per cent of the goods delivered to its client stores, while the rest are delivered

directly by suppliers themselves. This approach also aims to encourage the suppliers who deliver directly to the affiliated stores to maximize their efficiency by delivering only to the centre, which will then be responsible for optimizing the loads it delivers to the stores.

As far as the member stores themselves are concerned, the aim is to integrate them as much as possible into the process and thereby share with them the savings achieved thanks to their collaboration. From this standpoint, the Montréal centre is in a unique situation compared with the other major food corporations. Because its clients are independent operators, their collaboration is voluntary; they will be all the more willing to collaborate if the cost savings are shared with them. The current healthy state of relations between the distribution centre and its client stores shows positive signs that the stores will respond very positively to any proposals of this kind. Since ordering goods in small quantities increases the cost of order filling, the stores have been consulted to see if it is possible for them to order in pallet lots and thereby eliminate the pallet-load-assembling phase. Stores are now also involved in a joint analysis of their supply needs. This joint analysis is considered essential for streamlining delivery routes. The computerized system indicates, for example, that by changing a single delivery timetable, five delivery routes could be eliminated.

Outcomes

After its adoption in 1998, the business plan was supposed to be implemented over a seven-year period, extending until 2005. In

early 2000, both management and union shared the view that it was too early to assess the effects of the planned changes, particularly since unforeseen circumstances could modify the plans. One unforeseen event in the past, for example, was the Sobeys takeover of Oshawa. This had a significant effect on the centre's unit distribution costs, which just happen to be one of the current reorganization's main themes. The centre's local management was very quick to adopt the computerized warehouse management system that the new owner was requiring in all its branches. However, it was not easy to implement this system in its entirety because the distribution centre had to take into consideration the requirements of its independent client stores. The needed adjustments have slowed down implementation. The result, 18 months "down the road," is that the parties concerned acknowledged that they were not yet totally "on top" of the new procedures and that they had been experiencing considerable difficulty in their efforts to lower unit distribution costs. In fact, this goal will be even more difficult to achieve in the short term. Even though the centre has not yet completely mastered this aspect of its operations, its turnout of products has been increased as a result of the decision by Sobeys to entrust it with the distribution of all perishables to the company's own stores.

Although little change has been seen in terms of lower unit distribution costs, results indicate that the reorganization has been successful in other respects. First, the inventory deficit has been reduced by 80 per cent over the last two years; and second, the compensation awarded by the Workplace Health, Safety and

Compensation Commission for work-related accidents at the centre has dropped from \$391,128 to \$182,989 over the same period.

Conclusion

When the distribution centre's new business plan was adopted in 1998, it envisaged 37 clearly defined projects that would be implemented according to a specific timetable. However, the reorganization that took place from then until early 2000 involved a number of changes to the initial plan. In the first place, the takeover by the Sobeys group entailed unforeseen consequences. This was especially true in relation to the information management infrastructure, which proved more difficult to master in the context of a distribution centre that was supplying a group of independent retailers. As a result, changes were made to the order in which many of the projects were to be implemented—some were postponed, others were brought forward, and still others were extended. One of the staff members at the centre summarized this period as one of major turmoil.

In these unpredictable and unstable times, both union and management acknowledge that their main advantage lies in their new working relationship and fresh spirit of partnership. They feel these factors justify their considerable optimism about the future. The progressive implementation of the business plan has necessitated continual changes to the collective agreement. These changes have resulted in the signing of at least a dozen letters of understanding on major issues, such as the number of job categories, working hours and the pension plan. In the case

of the pension plan, the employer has just agreed to make its contribution to the employees' pension plan proportional to the decrease in unit distribution costs, up to a maximum of \$1,300 annually per individual. In the face of the constant pressure being exerted on their work contract, the employees occasionally show some resistance, criticizing the pace and scope of the changes. While the workplace relations committee remains the usual

channel for discussions, meetings are sometimes organized by the parties at the highest level to

Both union and management acknowledge that their main advantage lies in their new working relationship and fresh spirit of partnership.

become familiar with each other's views and to acquire a better understanding of the double-edged issues involved in the reorganization process. These meetings have been very fruitful. The underlying approach has been one of identifying convergent interests, and the discussions have almost always resulted in solutions that have maintained the level of trust and kept the centre on track towards achieving the business plan's objectives.

Promoting Safe and Healthy Work Environments: New Occupational Health and Safety Website

Canadians will now have easier access to information on Occupational Health and Safety via a new Web site, www.canoshweb.org. This comprehensive site provides users with a wealth of information on variety of occupational health and safety issues, and from all jurisdictions across Canada. Created through a partnership between the Canadian Centre for Occupational Health and Safety and federal, provincial and territorial partners, the site is part of their continued commitment to promote safe and healthy work environments.

The site includes information on many facets of occupational health and safety, including regulations and legal compliance, existing and emerging workplace practices, and information to help reduce workplace fatalities, injuries and illness. The site also includes a navigational map to assist users searching for jurisdictional information.

Both the Canadian Centre for Occupational Health and Safety and its partners will continue to collect information on workplace health, safety and environmental issues from sources around the world and provide the most current and authoritative information on this site.

JOINT PROJECT TO DEVELOP NEGOTIATED PARTNERSHIPS IN THE BRITISH COLUMBIA FOREST INDUSTRY

Labour-Management Partnerships Program
Human Resources Development Canada

In August 1999, the Industrial Wood and Allied Workers of Canada (IWA-Canada) and Forest Industrial Relations Limited implemented a project on partnership and high-performance work organizations in the British Columbia forest industry.

The impetus for this project was a series of "dialogue" sessions between the union and Forest Industrial Relations, which represents coastal British Columbia forest companies. The dialogue group identified four areas for collaboration:

- *the development of a new, long-term working relationship;*
- *the development of a motivated, interested, educated and skilled workforce;*
- *the need to jointly influence the regulatory burden and associated costs;*
- *improvements in health and safety.*

This dialogue initiative was timely, given the work being done by both parties to face the challenge of an industry in difficulty. The year 1998 was one of the worst in recent history for the British Columbia industry, particularly for coastal producers. Japan, their main market, was in the middle of a crippling economic slump. Overall, in 1998, British Columbia companies lost \$1.1 billion and had a negative 3.9 per cent return on capital. During this period, many mills and logging operations were shut down for long periods and some operations were permanently closed.

Industrial, Wood and Allied Workers of Canada

The Industrial Wood and Allied Workers of Canada is a national trade union representing 55,000 workers in seven provinces. Its largest base of membership is in the British Columbia forest sector, where it represents approximately 30,000 loggers, mill workers and related forest workers. The union is structured in geographical, multi-bargaining unit local unions, ranging in size from 500 to 7,000 members. There are 10 locals in British Columbia, five of which represent members employed by Forest Industrial Relations Limited member companies.

The union was founded in 1937 as the International Woodworkers of America. In 1987, the union became a solely Canadian union, and throughout the 1990s it sought to grow outside the forest sector and outside the province of British Columbia. Through the years, the union and its members have endured the ups and downs of the industry. However, the 1980s proved

especially difficult, and union membership in the province of British Columbia fell from a high of about 50,000 in 1979 to just over 25,000 in the late 1980s. Following the recession of the early 1990s, union membership grew slowly, but steadily, to its current levels.

While much of the fluctuation in employment and union membership in the forest industry is a result of shifting markets, commodity prices and external forces, the industry has also undergone significant changes in the manner in which logging and mill work is performed. Technological change, contracting out, flexible shifts and various "motivational" and "reorganization" schemes have all played a part in the industry over the past two decades.

In 1993, the Industrial Wood and Allied Workers national convention passed a resolution to "develop

— Case study summarized from the report *IWA-FIR Partnership Project*, September 2000. The report was co-ordinated by Scott Lunny, Director of Policy and Information Services, Industrial Wood and Allied Workers of Canada.

guidelines and parameters for local unions to follow when negotiating workplace reorganization schemes." The following year, the convention adopted its *Policy and Guide for Workplace Reorganization*.

While the 1994 policy clearly set out ways and means for the union and its locals to establish a "union agenda" in the face of employer-driven programs, it neither embraced nor rejected the fundamental concepts of workplace change.

In the late 1990s, particularly with the situation that was facing the industry in 1997-1998, the union saw companies pushing harder for new and more productive ways of working and cutting costs. At the same time, the union was struggling to find new ways to provide security and growth in employment and earnings for its members.

As Forest Industrial Relations Limited was approaching the union to engage in dialogue sessions, the union was engaged in a study of the International Association of Machinists and Aerospace Workers' program for high-performance work organizations as well as other partnership models in unionized workplaces.

The study led the union to develop the following policy on *IWA Negotiated Partnerships*. The policy, which was adopted at the September 1999 national convention, reads in part:

The Industrial Wood and Allied Workers of Canada will no longer be drawn into pre-designed and/or employer-driven programs for workplace change or cooperation. Rather, the union will seek negotiated partnerships with interested companies based on the following principles:

1. commitment to real partnership;
2. focus on growing the business through continuous improvement of work processes;
3. employment security commitment ensuring that no employee will suffer any loss from participation in the partnership;

The Industrial Wood and Allied Workers of Canada will seek Negotiated Partnerships with interested companies based on its eight partnership principles.

4. shared or consensus decision-making;
5. shared information and open communication;
6. ongoing learning and skill development for all employees;
7. strong union and strong management team;
8. respect for the cooperative and adversarial roles played by both union and management.

Under Negotiated Partnerships, the union rejects gain-sharing and incentive pay as a motivational tool to increase worker participation and performance.

Workers should expect to achieve greater employment security and improved working conditions as a result of the increased productivity and profitability achieved through Negotiated

Partnerships. In addition, processes to share the rewards of increased productivity and profitability, such as additional compensation and programs for increased quality of working life, may be negotiated outside the collective agreement as part of an IWA Partnership.

Forest Industrial Relations Limited

Forest Industrial Relations Limited is an employers' association, accredited under the provincial Labour Relations Code, which acts as the exclusive collective bargaining authority for most employers in the logging and sawmilling industry of coastal British Columbia. Incorporated in 1942, the association has negotiated what is known as the *Coast Master Agreement* with the IWA since that time. In addition to collective bargaining, the association provides services and assistance to member companies in the administration of the collective agreement as well as supervisor and management training programs.

Forest Industrial Relations Limited believes that the decision to "move toward partnering" is one that must be made at the operational level.

Forest Industrial Relations Limited represents a diverse group of companies involved in various segments of the forest industry and with various management structures and operating philosophies.

Most operations are not ready for the development of high-performance workplaces and negotiated partnerships. Successful partnering involves large-scale changes in the way management and labour relate to each other, and the parties must develop new skills to work together differently than they have in the past. This will take substantial commitment and hard work.

The association realizes, however, that successful partnering at the operational level holds great potential for most of its member companies. It believes that the decision to "move toward partnering" is one that must be made at the operational level, and success will depend on the commitment and effort put into partnering at that level. The association's role in this is to act as a facilitator for member operations who want to learn about the process, to provide education and training to those who are moving toward a partnership model, and to ensure that the collective bargaining process and the collaborative processes of partnering remain separate from each other.

Partnership Project

On September 3, 1999, the parties entered into a formal partnership project. The parties agreed to carry out a two-phase pilot project to put into practice the theories of high-performance work organizations.

Objectives

This report deals with Phase I, which involved further study of the process of high-performance work organizations and partnerships, joint development of a familiarization presentation and video and the drafting of a week-long "Committed Partners Training" course to be delivered jointly to labour and management leaders at operations interested in partnering.

Phase II will involve the actual delivery of the leadership training, ongoing facilitation with interested companies and local unions and the eventual implementation of partnership at various selected pilot locations. The second phase will also include a detailed evaluation of the effectiveness and success of partnership processes in the forest industry.

Phase I: Study and Education

The parties undertook three separate study and educational initiatives during Phase I of the project.

MacMillan Bloedel – Leadership and Accomplishment

As part of MacMillan Bloedel's (now Weyerhaeuser) "co-management" and "co-design" initiatives in coastal British Columbia, this course highlighted the need to include "soft skills," such as problem solving and creative thinking, in the week-long training package.

There is a need to include "soft skills," such as problem solving and creative thinking, in partnership training.

Recognizing this need, the parties sought out existing programs, settling on the Development Dimensions International "Leadership and Workforce Development" modules. These programs were flexible and interchangeable, making them suitable

for the parties to include in the "Committed Partners Training" course.

Conference Board of Canada – Study Tour

In January 2000, the parties sent six people on a study tour of high-performance workplaces, organized by the Conference Board of Canada.

The objectives of the tour were twofold:

- to learn what other labour-management groups have done collaboratively to increase their world competitiveness;
- to gain information about successful implementation strategies.

The tour visited three sites: Air Canada – Winnipeg Maintenance Base; Saturn Corporation – Spring Hill, Tennessee; and Harley-Davidson – Kansas City, Missouri.

The tour participants identified the following common features of each workplace partnership:

- consensus decision making in areas where it has been agreed upon;

- self-directed work teams;
- emphasis on ongoing training in both soft skills and job skills;
- emphasis on communication;
- commitment to employment security;
- a strong customer focus;
- few wage classifications.

Differences included the existence or absence of add-on compensation and varying levels and definitions of consensus decision making at each site.

The tour participants also identified some specific characteristics of the forest sector that might pose difficulties in implementing high-performance work organizations or negotiated partnerships, some features they felt would work for the parties, and a number of key findings, all of which are itemized below in the section "Key Learning Points."

University of British Columbia – Leading High-Performance Work Teams

The parties also sent some management and union representatives from Western Forest Products, Gold River Logging Division, to a course on leading teams in high-performance workplaces at the University of British Columbia.

As identified during the study tour and in other research, teams are a key component of high-performance work organizations and negotiated partnerships. For workplaces that have operated with a traditional hierarchy, such as most logging operations and sawmills, the implementation of teams is foreign and proves difficult. Part of the focus of the familiarization and committed partners training will be to debunk many of the myths about teams and help union and management understand and implement teams in all their operations.

For workplaces that have operated with a traditional hierarchy, such as most logging operations and sawmills, the implementation of teams is foreign and proves difficult.

Familiarization Module and Video

As part of Phase I of the project, the parties have completed a one-day familiarization module and companion video. These will be used by the parties to promote and explain the partnership processes to member companies, local unions and others who are interested.

Leadership Training Course

The other significant component of Phase I is the development of a week-long leadership training course—Committed Partners Training.

The basic framework of this course has been developed by Professor Tom Knight from the University of British Columbia. With the assistance of the working group, Professor Knight has incorporated Development Dimensions International modules into the curriculum as well as industry-specific training and case studies.

The delivery of this training to "committed partners" at the worksites will be a significant component of Phase II of the project.

Impact on the Labour-Management Relationship

Phase I of the project has involved putting the parties' commitment into action; however, the initiative has not reached much beyond the employer association and national union level.

The timing of the project, coinciding with master agreement negotiations in the British Columbia forest industry, and the focus on learning and development have provided the parties with considerable insight into how partnerships will be developed and the difficulties that the parties might encounter.

Collective Bargaining

In spring 2000, negotiations between the British Columbia forest industry and Industrial Wood and Allied Workers of Canada began. The negotiations took place at five tables covering some 30,000 loggers, mill workers and other forest industry workers. The largest single group of companies and workers covered by one collective agreement and one set of negotiations is that of Forest Industrial Relations Limited and the five coastal Industrial Wood and Allied Workers of Canada locals—70 companies and 12,000 workers.

How do you reconcile traditional labour relations, specifically collective bargaining disputes, with the need and desire of both parties to work together to improve and grow the business?

The negotiations were concluded for the entire province by early July 2000; however, the coastal industry had a nine-day strike before settling. The other four negotiations concluded prior to the settlement, setting the pattern for the coast.

The difficulty and intensity of the negotiations, particularly the strike on the coast, effectively put discussions on the partnership process at the IWA national and Forest Industrial Relations level on hold. This situation presented and continues to present an interesting challenge for the parties. How do you reconcile traditional labour relations, specifically collective bargaining disputes, with the need and desire of both parties to work together to improve and grow the business?

By the definition given to "partnerships" by the parties, the process is distinctly separate from collective bargaining and the collective agreement. Particularly for the union, the collective agreement is sacrosanct, and the premise that it must not be compromised or eroded as part of any collaborative process is a fundamental precondition. This, however, must cut both ways.

This anomaly has become particularly apparent following the strike. The parties are realizing the difficulty in continuing and maintaining a strong,

proactive commitment to high-performance work organizations, particularly in the immediate aftermath of the strike.

This has been a key learning point for the parties, and the ability to continue and eventually realize the benefits of this project and partnerships in general will be a real test of whether traditional, adversarial collective bargaining can coexist with a drive toward high-performance work systems.

Key Learning Points

From the project work to date and the investigation and learning the parties have engaged in, the following learning points have been identified.

• **Difficulties Implementing Partnerships – The Forest Industry**

The cyclical and seasonal nature of the forest industry and its dependence on commodity markets make the economic position of the industry much more volatile than that of a standard manufacturing or service business. Environmental uncertainty is

also a concern, with changing requirements and restrictions constantly being foisted on the forest sector.

The level of government control over the industry (95 per cent of commercial forest land in the province is government-owned) is also a consider-

ation. Government regulation, stumpage, environmental restrictions, etc., are all important to the costs and viability of forest companies and are, for the most part, out of the control of the parties.

• **Difficulties Implementing Partnerships – The Negotiating Parties**

The long history between the parties is both an advantage and a disadvantage. In many respects, the parties have a mature and sophisticated relationship, conducting and administering a single

In many respects, the parties have a mature and sophisticated relationship, conducting and administering a single master agreement covering hundreds of workplaces and 12,000 workers.

master agreement covering hundreds of workplaces and 12,000 workers.

However, in the process of building this relationship the parties have also had numerous labour disputes, some of which have been quite significant in their impact on the workers, companies and economy of the province. This history will be difficult for some to reconcile with a partnership initiative, especially where labour-management relations have been particularly rocky.

In addition, the fact that Forest Industrial Relations represents a diverse mix of companies and the union is a compilation of autonomous local unions makes the outcome of efforts at the association and national union level suspect. Essentially, the success or failure of this initiative is in the hands of individual companies and local unions, not Forest Industrial Relations or the Industrial Wood and Allied Workers of Canada national union.

In this environment, the parties' scepticism that the union and management are "too close" or that one party is "selling out", has increased.

What Might Work and What We've Learned

The parties have learned a number of important things and will definitely be incorporating self-directed work teams and consensus decision making into partnerships and training.

The parties are also aware that they are one step ahead, having achieved high-level commitment from both organizations. While this commitment may be strained as a result of the recent labour dispute, it exists nonetheless and is an essential component of the high-performance work organization and other partnerships we have studied.

Trust, communication and lots of training are key ingredients in a successful partnership.

The parties have also discovered some facts about partnerships:

- The process can cause intense strain on the parties, particularly on middle management, and a great deal of training is required to enable everyone to participate at all levels of the enterprise.
- The upper levels of management and union leadership will be required to let go of some control for the process to succeed.
- Trust, communication and lots of training are key ingredients in a successful partnership.
- The rationalization of the inherently adversarial nature of collective bargaining, grievances, etc., with the need to collaborate to achieve a high-performance work system will be a constant difficulty.

Phase II: Next Steps for Partnerships

The next phase of the project will involve the identification of interested and committed partners— logging operations or mills where management and the local union have an interest in the process. The parties will familiarize these union and management groups with the process, provide them with the Committed Partners training and then facilitate the development and implementation of a partnership.

This, along with detailed and in-depth monitoring and evaluation of pilot projects, will be the focus of Phase II of the project.

GOOD CORPORATE CITIZENSHIP IN THE 21ST CENTURY

Roy J. Adams
McMaster University

Corporations, our dominant form of business organization, are legal persons who exist separate from the directors, managers and employees who work in the organization and from the investors who participate in its activities. Created in their current form in the 19th century, their main purpose was to encourage investment in attractive projects while reducing as much as possible the investors' liability in the event of financial difficulties.

In North America, it has become a common trend to consider that the business leaders should defend the shareholders' interests. This norm was sometimes interpreted restrictively, in the sense that to behave in a socially responsible manner was said to be contrary to the fiduciary responsibility of the firm's officers. That notion has been strongly challenged in recent years from several quarters, and if the revisionists have their way the result could have serious implications for Canadian industrial relations.

In February, an independent Canadian Democracy and Corporate Accountability Commission was established "in order to come to grips with the issue of corporate accountability." The commission is co-chaired by Ed Broadbent, the former NDP leader, and McClelland and Steward Chair Avie Bennett. Other members are Linda Crompton, CEO of Citizens' Bank; Ken Georgetti, President of the Canadian Labour Congress, and

John LeBoutillier, former CEO of the Iron Ore Company of Canada. The project's major funder is the Atkinson Charitable Foundation. It is due to issue its findings and recommendations "to federal and provincial governments, the corporate sector and the social/economic justice community" by the end of 2001.

Corporate social responsibility has been a controversial topic for many years. In a famous article published in 1970, conservative economist Milton Friedman insisted that "the social responsibility of business is to increase its profits," and that philosophy continues to pervade the thinking of much of the North

It has become a common trend to consider that the business leaders should defend the shareholders' interests.

American business community. It has nevertheless attracted significant reaction. Most business schools now have departments, or at least courses, in topics such as business ethics or business and society, or others under which corporate accountability is considered.

The notion that the role of corporate officers should be confined to the generation of dividends for the shareholders has been strongly challenged by the emergence of the stakeholder theory of the firm. This theory insists that corporations

perform better in the long run when their top officers take into consideration the interests of all of the entities with a stake in the organization, including employees, suppliers, customers,

creditors and the local communities in which the firm operates. The theory has attracted a good deal of research, much of which is reviewed in the discussion paper issued by the Broadbent/Bennet Commission. The general conclusions of the research support the contentions of the stakeholder theorists.

In addition to the research on the performance of socially responsible firms, attitude surveys suggest that most Canadians, as well as most Americans and Europeans, want corporations to behave in an ethical and socially responsible manner. According to the Accountability Commission's discussion document, research indicates that most Canadians "consider conditions of production when buying consumer goods" and most say that "they are prepared to pay higher prices for ethically produced goods."

This type of research is one of the reasons why an increasing number

Corporate social responsibility has been a controversial topic for many years.

of companies have opted in recent years to invest resources in ethics programs in order to protect or enhance their reputation. A KPMG survey of Canada's 1,000 largest firms found that some 86 per cent had "a document that outlines their values and principles." The majority of such documents, however, are worded in generalizations, address only a few issues and have no method for ensuring enforcement. In the survey, only 14.4 per cent had "reviewed their ethical performance to date." This situation has led some critics, such as a recent Taskforce on the Churches and Social Responsibility, to adopt a sceptical stance towards codes unilaterally initiated and managed by corporate officers.

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In addition to the attraction of acquiring and keeping customers by engaging in effective "reputation management," many corporations have been induced to adopt codes of behaviour as a result of pressure applied by human rights and environmental groups and, in some cases, by trade unions for which international companies have been a prime target. The Levi Strauss company is generally credited with having been the first firm to adopt a specific code, committing itself to ensure that its goods are produced under acceptable conditions in all countries where it operates.

In recent decades, large producers of sportswear have been outsourcing their product on a global basis. The Nike corporation, for example, designs and markets its

clothing and equipment but does not produce it. Instead, it sub-contracts production to countries such as Indonesia, Vietnam and China, where it is often manufactured by companies with headquarters in Taiwan, Hong Kong or Korea. Critics argue that the conditions under which these goods are produced often do not meet basic human rights standards

and thus have designated them as sweatshops.

In 1992, Nike and other international consumer products companies followed Levi's in establishing corporate codes. To ensure compliance, Nike created a Labor Practices Department and eventually adopted the policy that a Nike representative would have to be present in every production plant. The firm also hired Price-Waterhouse to conduct audits on working conditions in the factories. Instead of unequivocal praise, these initiatives often produced more criticism when human rights groups found numerous situations that did not comply with Nike's code.

One of the persistent criticisms of Nike and many of its competitors is that audits are not conducted independently and thus are not objective. In order to silence its detractors, the corporation joined in the mid-1990s with several human rights organizations, church groups and unions in the United States to establish the Fair Labour Association. However, the nego-

tiators in charge of setting general standards and monitoring practices ran into difficulties over the issues of a living wage and the nature and independent monitoring. As a result, several of the participating parties, including the Union of Needletrades, Industrial and Textile Employees, the major union involved, pulled out of the process. Nevertheless, the remaining organizations were able to hammer out a deal and agreed that the monitoring process of the Association was to commence sometime during 2001.

A similar effort was made in Canada during 1999 and 2000. A group of concerned organizations called the Ethical Trading Action Group attempted to negotiate a code with the Retail Council of Canada and associations representing apparel and shoe manufacturers. But the negotiations collapsed when the employer group refused to adhere to the core human rights of the International Labour Organization. According to the Ethical Trading Action Group, a major stumbling block was the principle of freedom of association and the right to bargain collectively. The opposition of Canadian retailers to this provision is quite striking, since the Employers' Group (including the Canadian representatives) at the International Labour Organization fully endorsed

A major stumbling block was the principle of freedom of association and the right to bargain collectively.

its 1998 Declaration on Fundamental Principles and Rights at Work, which clearly affirmed those rights. Reportedly, the Retail

Council is working on a code that would contain less stringent standards.

The anti-sweatshop movement has also struck a chord with university students. Founded in 1998, the United Students Against

Sweatshops has been spreading rapidly across North America. The organization's major objective is to pressure universities to insist that suppliers of sports apparel displaying the university

logo agree to conform with basic ethical standards of production. Suppliers may work out their own code so long as it conforms with basic standards specified by the organization. To ensure independent monitoring, the student organization established the Workers' Rights Consortium whose guidelines are more stringent than those of the Fair Labour Association. Many universities in the United States have agreed to comply with the requirements of both the Association and the Consortium. Controversially, the Consortium has no business representation, a situation that led Nike Inc. to withdraw funds from some universities that joined the Consortium.

Another notable organization that has entered the picture is Social Accountability International. Like the Fair Labour Association and the Workers' Rights Consortium, it has developed a list of basic standards and a monitoring program. This organization is associated with the New York-based Council for Economic Priorities, which for many years has encouraged corporate social

accountability. The Council, for example, does research and gives out prizes to corporations it deems to have met high ethical standards.

The Social Accountability International program is identified by the term SA 8000, and its explicit purpose is to emulate the success of the quality management program known as ISO 9000. That program has swept the globe to such an extent that it is very difficult for

non-certified companies to win contracts against certified competitors. Social Accountability International hopes to emulate that success by making SA 8000 certification equally essential.

Most recently, the United Nations has become involved in the issue by forming the Global Compact network with international business and other international organizations. The International Chamber of

Commerce and about 50 of the world's largest corporations have agreed to conduct their business according to Compact's environmental and labour guidelines. The labour principles are those identified by the International Labour Organization as being part of the fundamental human rights. They include recognition of freedom of

association and the right of employees to bargain collectively and a promise not to discriminate or make use of child or forced labour.

In addition to the five core rights identified by the International Labour Organization, many codes, including those of the Fair Labour Association, Workers' Rights Consortium and SA 8000, also contain health and safety standards. Among the most controversial standards included in some of the general codes is that of a living wage. A widely sought principle is that each employee should earn enough to provide food and accommodation (and something extra) for an average household in the geographic area of production. Social Accountability International accepts that notion, and monitoring documents provide guidance on how to price a basket of goods and accommodation to arrive at the appropriate figure.

A widely sought principle is that each employee should earn enough to provide food and accommodation for an average household.

It appears likely that the pressure put on corporations to be socially responsible will continue to mount. The so-called Civil Society movement, which was

instrumental in stopping the proposed Multinational Agreement on Investment and in throwing a monkey-wrench into the World Trade Organization meeting in

Seattle in November/December 1999, has won many adherents to its cause: insistence

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that globalization must not benefit the corporation to the detriment of the people. So, the onus is on corporations to take credible steps to put in place policies that comply with broadly accepted international social and environmental standards such as those put forward by Global Compact.

Within Canada, the corporate human resources policy that will require the most fundamental rethinking is that of opposition to unionization of employees and henceforth rejection of collective bargaining.

Only about 20 per cent of Canadian private sector employees are involved in collective bargaining, and the typical policy of the unorganized employer is to manage in a manner that makes unions (and thus collective bargaining) unnecessary. Contrary to the way they approach other basic rights, it is common for company spokespersons to make it publicly known that they oppose bargaining. The typical attitude is well represented by comments that appeared in the press during the 1999 strike at the Calgary Herald.

In an article published in The Globe and Mail, Susanne Craig reported that after two years "marred by labour problems," the reporters at the Herald "asked the Communications, Energy and Paperworkers Union to represent them...." They were particularly concerned, she stated, that "senior management were too involved in changing the editorial content of news stories to fit certain agendas." They also wanted to change an employment system in which reporters could be

dismissed "at the discretion of management."

Globalization must not benefit the corporation to the detriment of the people.

The implicit theory embraced by Craig in writing this story is that, had management not precipitated "labour problems," there

would have been no reason for the employees to unionize and bargain collectively. The "blame for the drive to unionize," Ms. Craig reports, may be traced to the publisher's "heavy hand in the newsroom." But if collective bargaining is a fundamental human right to which all employees are entitled, its use should not be based upon such a negative motivation. Indeed, it would not be unreasonable to expect the socially responsible corporation to engage in proactive efforts encouraging employees to select representatives who could negotiate relevant issues.

The norm in which the absence of collective bargaining is considered to be the legitimate default situation is further illustrated in a subsequent article published in The Globe and Mail by a former managing editor of the Herald. Gillian Stewart had left the Herald in 1990 after the introduction of a new policy under which "reporters, photographers and librarians were viewed as substitutable wage costs rather than valuable resources." Before the change in policy, "the Herald newsroom was one of the few non-unionized newsrooms in the country. As far as the employees were concerned, it had

never been necessary to unionize. Management paid the union scale negotiated at other newspapers as well as the same benefits and perks. There was an unspoken contract and it seemed to work well."

The "unspoken contract" implicitly consisted of an understanding in which employees forgo their right to bargain provided that the rules unilaterally established by management are not substantially different from the industry standards.

In short, the implicit contract called for the employees to forgo the exercise of what the international community considers to be a funda-

mental human right, contingent upon the continuation of acceptable conditions. Whereas Canadian corporations have long accepted the responsibility of taking

proactive efforts to ensure employment equity, another of the rights on the International Labour Organization's core list, the absence of collective bargaining is commonly offered as evidence of exemplary managerial practice.

A retort by the Herald's then editor-in-chief, Peter Menzies, further illustrates the norm. He admitted that there have been allegations concerning journalistic integrity and abusive management but argued that, nevertheless, "we are a good employer. We offer an average income of close to \$63,000; comprehensive benefits; free on-site parking; a company day care and a free on-site fitness centre."

"There was an unspoken contract and it seemed to work well."

The implication seems to be that if the corporation provides good substantive conditions, employees have no legitimate claim to participate in organizational governance. Menzies, instead, denigrates unionization and collective bargaining as despicable practices to be actively avoided. Referring to the era when Ms. Stewart was at the Herald, he says: "Yes, there was no union, but the principle of collectivism and its intolerance of dissent was well entrenched and enforced by the silent whip of group-think." He goes on to add that "today's union objectives are those that will serve the collective, not the interests of free individuals who in a successful

newsroom would draw strength from and foster true journalistic creativity within an atmosphere of ideological diversity."

*It is now the time
for organizations
to reconsider their
approach.*

No one reading this exchange could doubt that both Stewart and Menzies regard collective bargaining not as a fundamental human right that all citizens (both corporate and individual) have a responsibility to respect, but rather as abhorrent employee behaviour precipitated by management mistakes. From this perspective,

rather than willingly accept employee representation as a keystone principle, the employer's responsibility is to do its best to avoid it.

The values and corporate policy rooted in this philosophy is entirely contrary to the international labour rights consensus. Very likely, it is only a matter of time before this position becomes the new target of civil society. Before the storm hits, it is now the time for the organizations who want to achieve their status as good corporate citizens to reconsider their approach.

Further reading:

The discussion paper and schedule of the **Corporate Accountability Commission** are available on-line at
< www.corporate-accountability.ca >.

For information about the various initiatives in the retail sector and links to organizations such as the **Workers' Rights Consortium, Fair Labour Association and Social Accountability International**, visit the Web site of the Maquila Solidarity Network at < www.maquilasolidariy.ca >. Nike provides information on its social efforts at
< www.nikebiz.com >.

The articles by Craig, Stewart and Menzies appeared in *The Globe and Mail* on November 6, 10 and 17, 1999 respectively.

The article by Milton Friedman appeared in the *New York Times Magazine* on September 13, 1970.

WORK-RELATED CHILD-CARE CENTRES IN CANADA – 2001

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Introduction

The availability of affordable, high-quality child-care services is a major concern for many working parents. The proportion of dual-earner and single-parent families has increased over past decades, as has women's participation in the labour force. This means that it is no longer possible for most working parents to rely on traditional child-care arrangements. In addition, geographical mobility and the dispersion of extended families make it difficult to count on relatives to provide care.

For parents, having access to affordable quality care for their children may directly affect their ability to enter or re-enter the workforce (e.g., after maternity or parental leave), juggle their work and family responsibilities and pursue their career goals. Child care is also viewed as a crucial factor in enabling women to achieve economic independence and long-term financial security, and it is an important element in attaining greater gender equality in the workplace.

It is now generally recognized that the first years of a child's life are crucial to the development of cognitive and social skills. Many parents, therefore, want to provide their children with the best possible early childhood education. Child care thus plays two distinct, yet very important roles: it allows parents to remain in the labour force and pursue their careers, and it prepares children for school and promotes their healthy development. Not surprisingly, the creation of more high-quality, affordable child-care spaces is a key demand of many sectors of Canadian society, including unions, antipoverty groups and child-welfare and women's organizations.

However, there are still too few child-care spaces in Canada – let alone *affordable* spaces – to satisfy demand, and existing child-care options in some communities may be inadequate or too inflexible to meet the needs of working parents.

Establishing work-related child-care centres¹ is sometimes viewed as a solution – albeit a partial one – to these problems. A number of businesses and organizations have recognized that it is in their interest to establish and support child-care centres, in or near their workplaces, to improve the recruitment and retention of employees, reduce absenteeism and increase worker productivity while generating favourable publicity.

The purpose of the “Work-Related Child-Care Centres in Canada – 2001” study is to provide an overview of current practices pertaining to work-related child-care centres.² It highlights the best examples in this area, and discusses what has been learned from the experiences, both positive and negative, of the participating child-care centres. One of the study's main objectives is to analyse and illustrate how businesses and organizations can be involved in both establishing and operating work-related child-care centres. The study includes 14 detailed profiles of child-care centres from all regions of the country. The profiles, or case studies, outline how these centres were created and the part the different participants played in the process. They also describe the ongoing relationship between employers and the child-care centres. The study is meant to inform employers, unions, employees, professional organizations, parents and early childhood professionals who are

¹ The expression *work-related child-care centres* refers to child-care centres that are sponsored and supported by an employer, a group of employers, a union or an employee group and that are intended to meet the child-care needs of employees. These centres can be located either directly on the worksite or at a distance.

² The data and information presented in the study are drawn from a series of 51 interviews conducted with directors of child-care centres in all regions of Canada between April and July 2000.

considering the creation or expansion of work-related child-care services, as well as researchers and members of the general public who are interested in this issue.

Number of Centres

The number of work-related child-care centres in Canada nearly doubled between 1991 and 2000. The most marked increase in absolute terms occurred in Québec, where more than half of Canada's work-related centres are located.

Advantages and Disadvantages of Work-Related Child Care

The establishment of work-related child-care services can involve both advantages and disadvantages from the point of view of the employer and employees.

Number of Work-Related Child-Care Centres per Province		
Jurisdiction	1999*	2000**
Newfoundland	4	3
Prince Edward Island	1	0
Nova Scotia	7	17
New Brunswick	1	8
Quebec	76	180
Ontario	62	82
Manitoba	9	16
Saskatchewan	1	6
Alberta	7	5
British Columbia	7	20
Yukon / Northwest Territories / Nunavut	1	1
Canada – Total	176	338
<p>* Source of 1991 data: Jane Beach, Martha Friendly, and Lori Schmidt, <i>Work-Related Child Care in Context: A Study of Work-Related Child Care in Canada</i>, Occasional Paper No. 3, Toronto: University of Toronto, Centre for Urban and Community Studies, Childcare Resource and Research Unit, 1993, p. 6.</p> <p>** Data compiled during spring 2000. Estimates based on information provided by provincial/territorial governments and child-care associations.</p>		

Employer's Perspective

Work-related child care can produce certain benefits for the employer. It can:

- improve the retention of employees and serve as a key recruitment tool, whether on its own or as part of a larger *work-family* or *work-life* program.
- decrease employee tardiness and absenteeism.
- facilitate the reintegration of employees who are returning to work from maternity or parental leave.
- enhance employees' morale, commitment, motivation and job satisfaction, while reducing stress and stress-related disorders in the workplace.
- assist in developing a good corporate image and in building relations with the rest of the community.
- humanize the workplace through the presence of children.

In addition, the employer can control the hours of operation of the child-care centre to some degree.

However, work-related child care may also have some disadvantages for the employer. It may:

- potentially represent a legal liability, while creating additional financial obligations.
- have a detrimental effect on the employer's corporate image if there are problems with the centre.
- distract employees; some parents may want to spend too much time with their children during working hours.

Employee's Perspective

For employees, work-related child care can have many advantages, including the following:

- It can greatly decrease the travel time between work and the child-care facility and reduce potential delays (e.g., from heavy traffic, inclement weather

or unreliable public transportation) when dropping off or picking up a child at the beginning or the end of the working day.

- Knowing that their children are nearby may add to parents' peace of mind.
- Parents can respond quickly in case of an emergency.
- It can allow working mothers to breast-feed their infant children.
- Parents can participate in the centre's activities and special events.
- Parents are able to spend some time with their child during work breaks or over lunchtime.
- It can increase the likelihood of obtaining a space for a child in areas where community and family child care is in short supply.
- The center's hours of operation can reflect those of the employer.

However, there are also certain disadvantages:

- Employees who depend on a work-related child-care centre can find themselves tied to their job, which reduces their mobility.
- The presence of a workplace centre – particularly if it provides extended hours and emergency care – may conceivably be used by an employer to justify longer working hours (e.g., through overtime) and more “flexible” shift scheduling.
- Children who are registered in a workplace centre may have only limited contact with other children in their own neighbourhood.
- Some work environments may not be ideal for children, particularly if there are problems with noise, pollution, lack of space or the attractiveness of the surroundings (e.g., downtown areas and industrial parks).

Involvement of the Different Stakeholders

Each child-care centre is unique. Indeed, they tend to differ from one another—at times markedly with respect to their history, structure and administration,

as well as in terms of the services they offer and the people to whom these services are provided. There are also very real differences regarding their relationship with the sponsoring companies or organizations, and their links with governments, unions and employees.

Yet, notwithstanding their differences, many work-related child-care centres confront similar problems. Often they also share common concerns, whether in terms of funding, space, location, hours of operation, registration options or staffing.

Importance of Employee Consultation

Employees have been consulted in virtually every case as part of establishing the work-related child-care centres described in this study. Such consultation, through surveys and committees, is essential to assess the potential demand for services and to determine the needs of employees with children. By way of illustration, deciding where a child-care centre is to be located can be a difficult question, especially when employees work in more than one geographical area. The selection of Windsor as the site of the first Canadian Auto Workers child-care centre followed two years of studies and discussion.

Lack of consultation or an inadequate employee survey can lead to future difficulties. For example, a survey conducted before establishing the *Kid Gloves Daycare* found overwhelming support on the part of employees. Unfortunately, the survey failed to mention that clients would have to pay fees, and did not provide enough information on how the child-care centre would operate. As well, the fact that questions were asked in English only created a barrier to understanding for many employees, as a large share of the workforce was composed of immigrant women. In addition, the initial needs assessment had failed to recognize that many employees preferred to rely on family members to provide care for their children as a means of preserving their language and culture. Consequently, far fewer employees than originally expected used the new child-care centre after it began operating. Most places in the centre had to be filled by community children instead. A few years later, a second survey and concrete initiatives from both the child-care centre and the employer helped improve the situation.

Funding and Resources for Start-up

Initial funding and resources for the start-up of a child-care centre can come from a variety of sources. A sponsoring employer usually contributes at least some resources to help set up a centre. These resources can take many forms: money; interest-free loans or loans at preferential rates; human resources; supplies, furniture and equipment; and access to boardrooms, telephones and fax machines. In the case of on-site (and some off-site) centres, the employer usually provides space, by either renovating existing facilities or participating in the construction of a new building. With respect to new construction, an employer can provide the land where a child-care centre will be built.

Provincial and municipal subsidies are major sources of start-up funding for work-related child-care centres. Whether in the form of direct financial assistance, a land grant or other in-kind contributions, these subsidies generally, although not always, represent a significant proportion of construction expenses.

Support from the Employer for the Operation of the Centre

An employer can support a work-related child-care centre in many ways, once it has been set up. The level of support can differ markedly from one employer to the next. It may range from very generous financial contributions to virtually no support at all. The child-care centre directors who took part in this study described some of the main forms of assistance that employers can provide:

- *Financial assistance* – Some employers either provide child-care centres with regular financial contributions, or help pay the cost of major expenditures such as renovations or relocations or the purchase of new equipment. Sometimes, an employer will absorb a centre's operating deficit, if there is one. Financial assistance can also be provided by means of fund-raising activities organized by the employer, or through revenue-sharing arrangements. For example, the *Downs Children Centre* receives part of the proceeds from rainbow lotteries, banquets and tournaments organized by the Manitoba Jockey Club. *Les petites cellules Childcare Centre* at Ericsson Canada receives one third of the revenues generated through parking fees.
- *Loans* – Banks (such as the National Bank of Canada) and other employers with sufficient cash reserves may provide loans to an affiliated child-care centre at a preferential rate, or even at no interest. Conditions for repayment tend to be relatively flexible.
- *Free, symbolic or discounted rent* – A large majority of businesses and organizations sponsoring a child-care centre, especially if it is on-site, provide facilities for free or at a reduced price. In some cases, they charge a symbolic rent of one dollar per year. Alternatively, they may collect rent at the market rate, but return an equivalent amount to the child-care centre as a tax-deductible donation. Businesses can also offset rent charges by providing (for free) services worth at least the same amount.
- *Free utilities, maintenance and cleaning services* – Whether or not it is part of the lease agreement, many employers, particularly if they own the child-care centre's premises, will cover the cost of utilities, including heat and electricity. A company can also provide maintenance, cleaning and laundry services free, or at reduced cost.
- *Donations in kind* – A number of sponsoring employers are willing to donate their surplus furniture or old computers. Other in-kind donations are possible, such as food (free or at reduced cost), clothing and toys. In numerous cases, free telephone and fax services, postage and photocopying are also offered.
- *Use of facilities* – Access to the various facilities of a company can be provided free of charge. Facilities may include boardrooms for meetings and athletic facilities for the children. Some audio-visual and computer equipment may also be made available.
- *Administrative and other services* – A sponsoring company or organization can use its own human resources on an ongoing basis to support a child-care centre. It can provide administrative, purchasing, accounting/auditing, counselling, hiring, training, legal, engineering and computer services, among others.
- Although this rarely occurs, the staff of a work-related child-care centre can be considered employees of the sponsoring company. In such a situation, the salary and benefits of child-care workers can become the employer's responsibility.

Involvement of Unions

Canadian unions have traditionally been strong supporters of a high-quality, affordable and accessible public child-care system. However, a number of unions have also bargained with employers to establish work-related child-care services. The example of the Canadian Auto Workers is a case in point. The union bargained with the “Big Three” auto makers for a child-care fund and lobbied the Ontario government for start-up subsidies. These efforts led to the creation of the *CAW Community Child Care and Developmental Services*, which serves as a model of union involvement in child care. Other unions have also been involved in work-related child-care centres, for example, by donating money for renovations or through representatives on the Board of Directors.

Conclusion

Work-related child-care centres represent only a fraction of child-care services in Canada. Nevertheless, they have existed for several decades, and the fact that they have increased in number over the last 10 years shows that work-related services fill a need both for the sponsoring companies and unions, and for the workers.

Work-related child care offers parents some significant advantages. Moreover, employers are becoming increasingly aware of their employees' need to balance their professional and personal responsibilities; a work-related child-care centre can be part of a general policy aimed at promoting this balance.

No single model for providing work-related child-care services exists. Employers and employee groups that want to pursue work-related child care have many options.

The relationship between a child-care centre and an employer or union can take any form, and be as close or as loose as the various partners want it to be. It can change over time as the partners' needs, capacities and priorities evolve.

Setting up a work-related child-care centre may be easier in certain types of workplaces such as public sector organizations or companies with a large workforce. However, it is possible to develop models for work-related child-care that reflect the uniqueness

of the workplace and the demands placed on employees. Realities such as a small workforce, varied schedules, long work hours and employees who are scattered throughout a region are not insurmountable obstacles. In fact, the unique characteristics of some workplaces can even be catalysts for instituting innovative child-care services.

Developing a work-related child-care centre is an endeavour that should not be taken lightly, and which sponsoring organizations should view as a long-term commitment. The investments required and the expectations that will eventually be created mean that careful planning is needed. Worker consultation is, therefore, a crucial step in bringing any work-related child-care service project on stream. Consulting workers helps to determine whether employees really need child-care services, whether this need justifies the employer's involvement and whether a work-related centre is the most effective way to meet the need for child care.

“Work-Related Child-Care Centres in Canada – 2001” brings forward a number of topics for further research. They can be grouped into four main areas:

- *Research on options and approaches* – A work-related child-care centre is only one of the options available to an employer or a labour organization wanting to help its employees or members with child care. Other possible approaches, including referral and information services, direct financial assistance, special funds, family child-care services and emergency child care, could be the subject of further research.
- *Studies of the role of union organizations and governments* – More research is needed into their respective roles in furthering work-related child-care services.
- *Surveys of companies and their employees about work-related child care* – Both could be surveyed, for example, to assess the profitability or the costs versus the benefits of employers' investments in child care, and to collect new information on parents' needs and preferences.
- *Case studies to illustrate what has not worked* – More information would be useful on work-related child-care centres that have not been as successful as expected. This information could be valuable to organizations or employees interested in setting up their own centres.

EXAMPLE OF A WORK-RELATED CHILD-CARE CENTRE

Downs Children Centre, Assiniboia Downs Racetrack, Winnipeg, Manitoba

This profile is a summary of one of the case studies presented in "Work-Related Child-Care Centres in Canada – 2001." The *Downs Children Centre* was the first child-care centre in North America to open on a racetrack site. The working conditions of racing people are unique, and the centre has done well in adapting to these conditions.

The Work Environment

The Assiniboia Downs racetrack is a not-for-profit organization managed by the Manitoba Jockey Club. A number of employers operate at the racetrack site. These include the Manitoba Jockey Club, the Canadian Thoroughbred Horse Society, the Horsemen's Benevolent and Protective Association, the Manitoba Horse Racing Commission, veterinarians and trainers. Together, they employ roughly 1,000 people.

Because of the nature of the horse-racing industry, the workers' schedules vary greatly. Activities at the track take place from 5:30 a.m. to midnight. Some people work in the daytime and others in the evening. Some employees work on race days only or on shifts, and others work a traditional nine-to-five schedule. The number of workers at the track also varies depending on the time of year. The *Downs Children Centre* has adapted its operations and services to the specific working conditions of the workers in this industry.

The Child-Care Centre

The *Downs Children Centre* opened in 1981, a year after a special committee was set up by the Horsemen's Benevolent and Protective Association to act on a request by racetrack workers for the creation of a child-care service.

The child-care centre is a not-for-profit corporation and has charitable status. It is managed by a Board of Directors. The by-laws state that a set proportion of members of the Board of Directors must be parents working at the racetrack, and one member of the Board of Directors must also be a member of the Horsemen's Benevolent and Protective Association's Board of Directors.

The centre is located on the Assiniboia Downs site between the track and the stables. It is housed in two former tack houses that are connected; an extension was added in the early 1990s. Today the centre occupies nearly three times as much space as it did when it opened.

The centre accepts children between 12 weeks and 12 years of age. About two-thirds of the children attending the centre have parents who work at the track, and the rest are from the local community.

The number of children allowed under the centre's licence varies during the year to accommodate the horse-racing schedule. In winter, the centre can take 34 children at a time, whereas during the racing season it can take 55. It can accept up to 12 infants. In the summer, some 70 children are registered at the centre, and they come when their parents need the service. On race nights, roughly 25 children are being cared for at the centre. Some spaces are left unfilled to accommodate racetrack workers as required.

The centre's hours of operation reflect working conditions in the horse-racing industry. The centre is open seven days a week. In the winter, the hours of operation are 7:00 a.m. to 6:00 p.m. In the summer (June 15 to October 1), the centre opens at 5:30 a.m. and operates until midnight on race days and 7:00 p.m. on Sundays. Children from the community also have access to the centre on race nights.

The time that the children spend at the centre depends on their parents' schedules. For example, children whose parents have to feed the horses come in when the centre opens, leave at about 10:30 a.m. and then come back to spend the late afternoon at the centre. Some seasonal employees use the centre only during the summer. Others hold another job in Winnipeg in the off-season, and their children stay at the *Downs Children Centre* year-round. Some workers are in the Winnipeg area for only a few weeks each year, depending on the type of racing they are involved in. They generally inform the centre staff of their need for child care in advance so that a space can be reserved for them.

According to the centre's director, a sizeable proportion of the people working at the track are single mothers. The existence of the centre and its hours of operation allow them to work at the track even though they have children. Finding a child-care centre that opens at 5:30 a.m. or closes at midnight is not easy, especially when parents don't know exactly when they will be working until a few days beforehand, as is the case with many workers in the racing industry.

School-age children whose parents work at the racetrack can register for before- and after-school care. The *Downs Children Centre* provides transportation to two schools in Winnipeg. Only those two schools can be served because they are close to each other and have different schedules.

The Relationship Between the Centre and the Racetrack

The *Downs Children Centre* has adapted to the lifestyle of the people who work at the racetrack. The relationship between the two entities is close and mutually beneficial with respect to both administration and services.

There are a number of aspects to the relationship besides the fact that a representative of the Horsemen's Benevolent and Protective Association sits on the centre's Board of Directors, and that horsemen's children have priority for spaces.

When the centre started up, it received an interest-free loan from the Horsemen's Benevolent and Protective Association, in addition to a grant from the Manitoba government. The loan from the Association has been repaid in full. The sponsors of the child-care project also received donations from some of the horsemen.

Today the centre pays no rent, and it receives all or part of the profits from a number of activities held at the track during the year.

Until 1993, the track was a family-owned business. It is now managed by a not-for-profit organization. The current director of the centre says that she sees a difference between the two structures as far as the relationship with the centre is concerned. Today, the profits generated by the racetrack are reinvested in the business. This means that the directors can be more generous with respect to the centre, given the track's not-for-profit status. For example, the track's Board of Directors donated a surplus van to the centre.

EMPLOYMENT EQUITY MERIT AWARDS – 2001

Workplace Equity
Human Resources Development Canada

Over the past decade, since the Government of Canada introduced the Merit Awards Program in 1990, many companies have been recognized. The momentum toward an inclusive work force continues and is recognized this year in the outstanding examples of five organizations. These organizations deserve special recognition for their creativeness and for their special efforts in the important endeavour of workplace equity. With the many other organizations which have achieved recognized compliance with the criteria of the **Employment Equity Act**, they demonstrate that inclusiveness is integral to achieving all organizational goals. The five organizations receiving awards have understood the benefits of achieving a representative sample of Canadians as workers, as an appropriate reflection of the diversity of customers and clientele. They have found ways of doing so that merit the attention of managers making day-to-day decisions and developing policy for their organizations.

The 2001 Employment Equity Awards were chosen by a jury composed of winners from the previous year and Human Resources Development Canada representatives. The judges considered the quality of the employment equity programs and the results achieved. In their analysis, they considered innovation and responsiveness; special measures and accommodation; involvement at all levels; and a focus on more than one designated group.

There are two awards. The Vision Award is presented in recognition of outstanding creative and innovative approaches to the implementation of equity and fairness in the workplace. The Merit Award recognizes organizations for special and continuing efforts towards attaining a representative workforce.

Vision Award

Bank of Montreal

Founded in 1817, Bank of Montreal is Canada's first bank and one of the largest financial institutions in North America. It offers a full range of financial services across Canada and in the United States, both directly and through the Chicago-based subsidiary, Harris Bank.

With assets of \$238 billion and nearly 33,000 employees, the Bank's diversified activities are concentrated among three client groups: retail banking, wealth management, and corporate and investment banking.

In Canada and the United States, the Bank serves nearly seven million personal and commercial clients and offers services through multiple delivery channels

"...in recognition of outstanding creative and innovative approaches to the implementation of equity and fairness in the workplace."

including a strong retail network, ABMs and telephone, online and wireless banking access.

The Bank of Montreal Group of Companies includes wholly owned subsidiaries BMO Nesbitt Burns, providing both full service investing and global

investment banking; BMO Harris Private Bank; BMO/Harris InvestorLine, a direct brokerage with customers in Canada and the United States, and Cebra, a digital commerce services provider.

Leadership and Progress

Bank of Montreal has clearly demonstrated commitment, progress and leadership well beyond legislative requirements. The Chairman and CEO, Tony Comper, believes “based on firsthand experience as well as simple logic, that investing big in people is just about the most businesslike move that any organization can make; that in the end and as never before, there is not a greater competitive advantage.” According to the Bank, its revenue growth and the advancement of workplace equality are inextricably linked.

Chairman’s **Council on the Equitable Workplace** includes the CEO, the vice-chairs for each line of business, the Executive Vice-President of the Office of Strategic Management and the Vice-President of Workplace Equality and Employee Programs. This council sets the strategic direction for equity initiatives, establishing qualitative and quantitative workplace equality goals at the beginning of each fiscal year. Goals are measured every quarter, through a comprehensive suite of reports. The integration of workplace equity into corporate culture is demonstrated by the landmark decision to link workplace equity goals to the incentive compensation program for executives.

Bank of Montreal has an **Office of Workplace Equality** responsible for leadership and administration. Its head, the Vice-President, Workplace Equality and Employee Programs, reports directly to the Chairman, the President of the Council and the Executive Vice-President of Human Resources.

Beginning in 1990, the Bank established executive sponsored task forces to identify and address issues related to the employment and advancement of each of the employment equity designated groups. Based upon that work, the Bank won the 1995 Employment Equity Vision Award.

Mandatory Management Training Integrated with Equity

Diversity management has been fully integrated in management training at all levels. All managers of people at Bank of Montreal must attend a five-day residential training initiative, **Managerial Leadership**

Week. Managing for inclusion and diversity is completely woven into the program. In addition, a full managerial leadership learning system is being developed, which incorporates the “Managing for Inclusion/Managing Diversity” competency and behavioural scales. These scales are the basis for the new curriculum.

Managerial Accountability

Competency in managing for inclusion/managing diversity is part of each manager’s performance evaluation. Bank of Montreal also measures the effectiveness of managers through its **Annual Employee Survey**. Results have been encouraging, with 74 per cent viewing the Bank as a place where people have equal opportunity for advancement, regardless of age, disability, gender or race. Among respondents who self-identified as a person with a disability, 81 per cent were satisfied with the accommodation they had received.

Corporate Culture of Equity

To recognize individuals and create heightened awareness about behaviours that make workplace equity come to life, the Bank honours staff selected by their peers as **Equality Champions**. Over 200 individuals, chosen from more than 2,000 nominations, have been celebrated in the past three years at conferences and gala events. Their accomplishments are shared with all employees through video and employee news magazines.

Employees promote equality through employee networks, diversity action teams and workplace advisory action councils. There are currently 12 such groups. For example, there are **Aboriginal Sharing Circles** in Calgary and Toronto, for all employees to learn about Aboriginal cultures and develop strategies to enhance Aboriginal business. There are networking groups for employees who are deaf or hard of hearing, and for employees who are blind or visually impaired. The groups are self-directed and have been instrumental in recommending important initiatives.

Employees are also encouraged to take part in workplace equality community activities, such as the **Canadian National Institute for the Blind Walk Toward Freedom** and the **Canadian Hearing Society’s Mayfest**.

Further Initiatives

Workplace Equality has implemented a six-month pilot project to identify and eliminate barriers facing employees with disabilities in using adaptive technology. This initiative includes a testing lab for compatibility with adaptive technologies and identification of training needs.

New guidelines are being developed for accessibility beyond that required by building codes. These will benefit both employees and customers using new and existing premises.

The Bank provides annual scholarships through the **Foundation for the Advancement of Aboriginal Youth** and supports youth conferences. The Bank also sponsored and participated in the Treaty 7 Education Conference, attended by about 300 Treaty 7 educators.

Bank of Montreal is a founding sponsor of the **Aboriginal MBA** program at the University of Saskatchewan, a program that focuses on Aboriginal business and economic development. The Bank also sponsors a Bachelor of Administration degree program in partnership with the Saskatchewan Indian Federated College and the University of Regina. This innovative program provides Aboriginal and non-Aboriginal students the opportunity to explore issues of common concern.

As a result of the efforts by the Task Force on Visible Minorities, the Bank continues to expand its award-winning **Possibilities-Youth Internship Scholarship Program**. Started in Montréal, it now includes Toronto, Halifax, Winnipeg, Calgary, Edmonton, Vancouver, Saskatoon and Lethbridge, and was extended to Aboriginal youth and students with disabilities. Students in their final year of high school are selected for internships at the Bank, and receive a \$1,000 scholarship toward post-secondary education. They work one day per week at the Bank, and may work during summers as well.

Bank of Montreal uses the **Career Edge Internship Program** to provide job experiences for new graduates exclusively to members of designated groups. Graduates with disabilities are also given meaningful work experience in a variety of jobs through the **Ability Edge** program, co-sponsored by Career Edge and the Canadian Bankers Association. In 2000, Bank of Montreal won the Career Edge Vision Award for its focus on diversity.

The Bank has long focussed on the advancement of women. It launched its Task Force on the Advancement of Women in 1990. It was a major sponsor and key advisor for the 1997 study conducted by the Conference Board of Canada and Catalyst called **Closing the Gap: Women's Advancement in Corporate and Professional Canada**. It examined issues inhibiting the advancement of women into senior management from the perspectives of both chief executives and senior women.

The Bank is committed to achieving gender parity at senior levels by 2007. The Bank offers an internal four-year MBA program in financial services, in conjunction with Dalhousie University and the Institute of Canadian Bankers. This program allows students to learn while continuing with full-time employment, and meeting other personal commitments. Just over 50 per cent of the graduating class of 2003 are women, a fact in which Chairman and CEO, Tony Comper, takes particular pride. As he notes, it is a testament to Bank of Montreal's "uncompromising business commitment to remove barriers to the advancement of women. In levelling our playing field, and expressing our official belief in balanced, not work obsessed lives, we gave ourselves a vastly wider and vastly deeper leadership pool."

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Certificates of Merit

Yanke Group of Companies

The Yanke Group of Companies, headquartered in Saskatoon, Saskatchewan, provides North American transportation solutions with terminal facilities in all provinces from Quebec to British Columbia. For the past two years, Yanke has been chosen as one of Canada's 50 Best Managed Private Companies. Since 1980, the Yanke Group of Companies has grown from a two-truck operation, to one that supports a fleet of over 400 trucks, and boomed from 33 support staff in 1986 to over 150 in 2001. Yanke's success is attributed to its attainment of 99 per cent on-time performance.

Yanke has six operating groups providing full truckload line haul, expedited shipments, intermodal operations, inland international container terminals, and complete supply chain management. Satellites are used for tracking the entire fleet of power units and for communicating with operators. All tractor units are replaced every four years, and are well equipped with ABS and governed top speeds for safety. Trailers are renewed every five years. This provides for a technically superior and low maintenance fleet.

But above all, Yanke attributes its performance to its people and the environment provided for them. One key corporate core value is to "recognize and respect the opinions, contributions, and personal worth of all people."

Senior Level Commitment

Employment equity is solidly integrated into management of the company, with the **Executive Leadership Team** undertaking a leading role. Senior management is assessed on its ability to manage diversity, amongst other key business indicators, and the President is involved in every senior manager's performance interview. In-

house diversity training is made available to managers.

Equity planning is incorporated into the Human Resources Business Plan, ensuring constant monitoring and revision of equity measures. Job descriptions are reviewed annually to ensure that members of designated groups are not precluded from employment. The **Employment Equity Committee**, representative of the workforce, reviews current and proposed practices to ensure that real or perceived employment barriers are identified and promptly addressed. The committee meets at least quarterly.

Achieving Compliance with the Human Rights Commission Review

The commitment of management and their incorporation of equity into human resource practices have ensured that Yanke achieved compliance with the requirements of the law, according to an audit review by the Human Rights Commission. As part of the requirements, Yanke carried out a self-identification survey in 1998, and has kept information up-to-date by giving each new

employee an **Employment Equity Presentation** and an opportunity to self-identify. Yanke has reviewed employment systems, created a plan with short- and long-term goals, and has made progress toward achieving those goals. Some examples include promotion of women, making headquarter facilities accessible to people with disabilities, and providing opportunities for flexible hours to accommodate single parents and people with eldercare responsibilities.

Demonstrating Leadership in the Transportation Industry

The trucking industry provides a challenging human resources environment, with high turnover rates, especially for operators whose occupation usually requires more than 20 days per month spent away from home. Yanke has taken on this challenge with the kind of systematic effort that brings excellence to all areas of operation. Yanke had recently partnered with McGill University in a work/life balance research project, the objective being that information gained from that study will assist in creating work which is compatible with balancing lifestyles.

Separate annual employee satisfaction surveys are administered to driving and non-driving staff, to assist in identifying specific accommodation needs. To ensure equal representation of drivers, Yanke has established a dedicated Professional Transport Operator Representative with direct access to the President and membership on the Employment Equity Committee.

Yanke works with organizations of designated groups, such as the Federation of Saskatchewan Indian Nations and with various

"...recognizes organization for special and continuing efforts towards attaining a representative workforce."

educational facilities to attract, retain and promote designated group members.

Yanke has developed a corporate training plan, which includes employment equity and diversity awareness as one of the core programs. Communication on equity education and awareness is diverse, using the newsletters, *The Blue Notes* and *The Link*, the

e-mail system, the Web site, and the notice boards accessible to all employees. An application is now available through the Internet.

Yanke's long-term goals include equitable representation of women in management, and equitable representation of Aboriginal persons, visible minorities, and people with disabilities. Facility modifications will be completed,

including automated doors and a chair lift. An on-site day care is planned, as well as gymnasium facilities to contribute to the wellbeing of all staff.

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DaimlerChrysler Canada Inc.

DaimlerChrysler is the third largest automobile manufacturer and wholesaler in Canada. It is also one of the ten largest companies in the country with 2000 revenues of \$22 billion and purchases of \$10.5 billion from Canadian suppliers. DaimlerChrysler Canada employs over 16,000 people with a payroll of over \$1 billion. Chrysler Canada Ltd. became DaimlerChrysler Canada Inc. in 1999 following the merger of Chrysler Corporation and Daimler-Benz AG to form a global transportation enterprise.

Chrysler has a long history in Canada as it was incorporated in 1925 in Windsor, Ontario, where its headquarters remains today. In 1939, its plants were retooled to produce over 180,000 military trucks, plus munitions, field guns, and innovative rustproof packaging essential to Canada's war effort. Following the war, Chrysler Canada resumed production of vehicles for the Canadian market.

In 1965, the Autopact between Canada and the United States was signed. This historic agreement allowed for the rationalization of vehicle production for Chrysler, General Motors and Ford. Dramatic increases in vehicle assembly in Canada followed as new vehicles built in Canada could be shipped to the United States for sale through United States dealers.

There were many other important milestones in the company's history, including the acquisition of American Motors and the legendary Jeep® brand in

1987. However, probably the most important was in 1983 when Chrysler invented the minivan and began production of the phenomenally successful Dodge Caravan and Plymouth Voyager at the Windsor Assembly Plant in Windsor, Ontario. Since the historic launch, over nine million Chrysler-built minivans have been sold worldwide with over five million of those produced at the Windsor Assembly Plant. In the 2000 calendar year, the Dodge Caravan became the best selling vehicle in Canada. In fact, more Caravans were sold in 2000 than any other vehicle for a calendar year in the history of the Canadian automotive industry.

The company's three vehicle assembly plants in Canada, two in the Windsor area, and one in Brampton, built 704,032 cars and trucks in 2000. Chrysler also operates a soft trim plant in Ajax and an engine and transmission plant in Etobicoke. Parts are distributed to its 550 Chrysler, Dodge and Jeep Retailers from centres across Canada, who sold over 268,000 vehicles in the 2000 calendar year.

The Canadian Auto Workers Union, which represents 14,000 DaimlerChrysler Canada employees, co-submitted the application with DaimlerChrysler Canada. The Canadian Auto Workers Union was formed in 1986 when a majority of its 102,000 members voted to become independent of the United Auto Workers, the union that had represented Chrysler, Ford and General Motors auto workers in both the United States and Canada since 1937.

The Canadian Auto Workers Union, the largest private sector union in Canada, has embraced social unionism, i.e., being concerned with broader social conditions as well as economic benefits for its members. For example, it supports shelters for battered women, child care, health clinics, co-operative housing, as well as sports and music camps for children. It has also been involved with environmental issues and in provincial and national politics. Buzz Hargrove, in his first speech as president, pledged support for equity for visible minorities and women.

Cooperation of Union and Management

The joint submission of the awards application by DaimlerChrysler Canada and the Canadian Auto Workers is indicative of the general and substantial cooperation on equity issues. Both have equity coordinators as members of a **Master Equity Committee**, supported by their executive. Both are also represented in Plant Local Committees, each of which has at least one female.

A Memorandum of Understanding on Employment Equity, which has been written into collective agreements, has recently been expanded to better accommodate pregnant women including joint responsibility for accommodation of pregnant women, notwithstanding normal seniority provisions. Accommodation has also been made to allow mothers to continue nursing after resuming full-time employment.

Other equity provisions in the collective agreement include bereavement leave improvements for those affected by the death of a family member outside of North America and leaves of absence of up to 150 days for employees whose families are in distress. Training in employment equity, benefits, as well as health or safety will also be established specifically for the western Parts Distribution Centres.

Active Identification of Barriers

Master Employment Equity meetings are held every quarter to address the latest issues and concerns on the Human Rights front. For example, the Tuition Refund Program is now being reviewed for system discrimination pertaining to pregnant women. An Employee Feedback Process has been launched to encourage communication on issues or concerns. It allows employees to remain anonymous if they choose. The Benefits department has also established

a Benefits Idea Link to solicit ideas from employees. This link has resulted in suggestions related to elder care, new hires, etc.

DaimlerChrysler Canada has dedicated full-time staff to investigate issues of harassment. An annual meeting is funded to provide training and awareness on employment equity issues, such as Aids awareness, training to investigate harassment and prevention of workplace harassment. Also, 40 hours of training is provided for all employees on the prevention of workplace harassment and policies and procedures which support a workplace free of harassment are promoted among all employees and new hires.

An annual three-day Women's Advocate meeting with attendance from all facility locations addresses topics such as women and stress, the family, violence and substance abuse, family law, and violence against women in intimate relationships.

Employment Equity reports are made available to senior managers, reflecting equity efforts for female, visible minority, Aboriginal, and disabled employees, as well as promotions, hirings and terminations.

Initiatives

Equity initiatives have also been taken for positions not covered by collective bargaining. A Diversity and Communications Specialist position has been created, reporting directly to the Vice-President of Human Resources, to provide greater focus on diversity issues.

Health care, group insurance and pension benefits have been extended to those in same sex relationships. Childcare has also been addressed with provision of a state of the art facility operating on a two-shift basis to accommodate employees rotating shifts, and a subsidy of \$10 per day is provided for childcare for children from infancy to five years of age.

To recruit and support employees, DaimlerChrysler partners with multi-cultural societies in the Windsor and Toronto areas.

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Rogers AT&T Wireless

Rogers AT&T Wireless is Canada's largest national wireless telecommunications company. It is the only company licenced to provide all of cellular, digital PCS, paging and wireless data services nationwide. Rogers AT&T has 2.6 million wireless customers and 3,500 full- and part-time employees. Its networks cover 93 per cent of the Canadian population with analog services and 85 per cent with digital PCS. To support this breadth of service, it has ten regional offices from Halifax to Vancouver, as well as its executive offices in Toronto.

The majority owner of Rogers AT&T Wireless is Rogers Communications, one of the world's largest cable companies, which also owns print media, television stations, and cable channels. Rogers has over \$1.9 billion in cable revenues in Canada alone. Other owners are AT&T and British Telecommunications plc.

Corporate Leadership and Achievement

The CEO, Charles Hoffman, is the executive sponsor of the Diversity Management Committee, funding committee activities largely from his office. This high level of executive commitment is reflected in achieving full representation of women and visible minorities in each occupational classification; for example, in the past two years the number of women on the leadership team has increased from two to nine.

Rogers AT&T Wireless places importance on ensuring that it reflects the communities in which it does business. Rogers is committed to providing an exciting and stimulating work environment that welcomes diversity and fully endorses equity in the workplace. Rogers recognizes that there remains much work to be done to ensure equity in the workplace for all Canadians, particularly for Aboriginal people and people with disabilities.

Measures for all Designated Groups

Rogers commitment to equity and the merit principle is manifested in its competency based **Performance Management** program. The program includes support for accurate assessment of performance and development needs by using a multirator feedback process. Combined with access to a wide array of courses, this enhances the opportunity for members of designated groups to develop skills and be promoted based upon their capacities and potential.

Rogers has made a special effort to direct financial, educational, promotion and employment resources for people with disabilities. Among other measures, Rogers participates in **Human Resources Development Canada Job Fairs** to hire people with disabilities, co-sponsors "**Wellsizing the Workplace**", a two day symposium for employers, agencies and people with disabilities, and jointly sponsors a Goodwill event "**I Had**

No Idea" promoting their employment programs. Rogers partners with the **Goodwill Call Centre, Skills Training Partnership** program, which has brought pleasing results, as measured by high levels of employee retention and performance. Goodwill selected Rogers AT&T as employer partner of the year for 1999-2000.

A Wide Range of Initiatives

The internal publication, *Wireless News*, includes diversity related information, and employee forums include updates on activities of the Diversity Committee. The **Team-Based Mentoring Program** has doubled participation to over 90 employees. A video for a new **Diversity Management Awareness Program** has been produced in partnership with Ryerson students.

Rogers AT&T's equity initiatives extend outward to the community. Among Rogers community activities are alliances with the Canadian Council for Aboriginal Business, the Canadian Council on Rehabilitation and Work, the Canadian Paraplegic Association, Goodwill Industries, and the Training Coordinating Group for People with Disabilities. Such partners can, upon request by individuals, provide support with resume writing, interview preparation, workplace training, career awareness, and financial assistance. Rogers, in turn, conducts presentations to client groups of community agencies on employment opportunities, resume writing, and job search strategy.

Additional activities include sponsorship of the **Ryerson Discover Engineering Summer Camp** for high school girls, and sponsorship of employees helping fundraise for the **Canadian National Institute for the Blind**.

Sharing Best Practices

Rogers AT&T actively supports and participates in alliances and partnerships with community organizations. These alliances

include the exchange of best practices, exchange of information on accommodation requirements, and identification of job applicants.

Employees of other companies visit Rogers AT&T to understand measures taken to accommodate visually impaired employees. For example, Rogers has installed computerized screen reading technologies in its offices. However, where technical limitations of information systems

caused difficulties, Rogers has been able to retain visually impaired or blind employees by modifying their duties.

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Amex Canada Inc.

Amex Canada Inc. and the AMEX Bank of Canada are both part of the American Express Company. This company has existed for 150 years, providing travel, financial services, charge and credit cards, travellers cheques, and investment products. It has been in Canada since 1853. Amex Canada and AMEX Bank of Canada employ about 3,500 Canadians in eight cities from coast to coast.

In January of this year, Amex Canada Inc. was rated as number 20 in the *Globe and Mail* listing of the Best 35 Companies to work for in Canada. Amex was rated highly because of its "strong record for honouring diversity, its commitment to professional development, and for providing a culture that acknowledges and rewards success with an employee stock ownership plan, annual bonuses and internal recognition awards programs".

Universal Management Training

At Amex, all managers must attend **Managing Diversity** sessions as well as other training on leadership and coaching staff. Corporate headquarters provides tools, such as a diversity database, videos, and an electronic calendar to assist managers with diversity. For optimal objectivity, the majority of interviews are conducted by teams, and all job vacancies are posted internally. All managers participate in **Leadership Feedback**, wherein they are rated by employees, colleagues and customers on competencies, including support for diversity. They are expected to create an environment in which everyone is treated fairly regardless of race, gender or individual differences. They must also confront prejudice and intolerant behaviour, and work well with all kinds of people.

Diversity as a Core Value

Equity is integral to the corporate values of American Express. The company's **Blue Box Values** include, under Treating our People with Respect and Dignity, recognition of barriers and "creating a working environment that is comfortable for all people, regardless of gender, race, ethnicity or other differences." Human resources guidelines address harassment, diversity and human rights.

The diversity team, formed in 1996, with employee representatives and sponsored by an executive, is responsible for distributing a questionnaire on the "Day for elimination of racial discrimination", for drafting the Employment Equity Plan, and for educating line managers on diversity.

The incorporation of diversity as a core value has helped American Express to achieve a representative workforce in each occupational group for women, visible minorities and Aboriginal persons.

Goals have been set to gain equitable representation of people with disabilities within the next five years. Barrier free access has been improved at the Markham facility, and Amex is partnering with the **Goodwill Call Centre Outreach** and **Inroads** programs. A mentoring program will be established, courses and company communication made accessible, and sensitivity training will be carried out for all employees.

Complementary efforts include measures to enhance safety and avoid disabilities, and the establishment of a graduated return to work for people ending disability leave.

Ombudsperson

A company ombudsperson is available in both French and English, to help resolve conflicts or any treatment by managers that is thought to be unjust or biased. As well, all employees are asked to provide feedback on a wide range of issues in the **Annual Employment Survey**. Company supported networks for groups of employees can also be established to provide support for individuals and foster general understanding of differences.

Accommodation of Religion and Other Differences

Amex provides the opportunity for religious observance, especially by giving leave for this purpose priority over the seniority roster. At headquarters, a quiet room is also available for devotion or contemplation.

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"PREVENTION IS THE CURE" – CANADA CELEBRATES NAOSH WEEK

Marcia Blaschke
Labour Communications
Labour Program, Human Resources Development Canada



Gerry Blanchard, Director General
Labour Program, Operations

Today's fast-paced business environment and hectic work schedules make it difficult to comprehend the impact workplace accidents have on Canadians. On average, the most recent statistics indicate three Canadian workers are killed every working day.

Since 1997, Canada, the United States and Mexico have joined together to promote injury prevention in

the workplace during North American Occupational Safety and Health (NAOSH) Week. Celebrated May 6 to May 12, this year's theme – PREVENTION is the CURE – reinforced a proactive approach to workplace safety.

The Canadian Society of Safety Engineering and the Canadian Centre for Occupational Health and Safety worked together with the federal Labour Program to promote NAOSH Week in Canada. The Canadian Society's counterpart, the American Society of Safety Engineers, promoted events in the United States, while sponsorship in Mexico came from a number of groups, including its federal Labour Secretariat.

For all three nations, education and awareness are priorities in preventing workplace hazards. NAOSH Week activities included workshops, seminars and displays emphasizing the message of injury prevention to workers and employers.

At the Canadian launch in Hamilton, Ontario, on May 8, the Director General of Labour Program Operations, Gerry Blanchard, praised the efforts and dedication of the organizing partners. He reiterated the government's commitment to minimizing workplace accidents through public awareness and workplace legislation.

"Prevention and awareness are key to workplace health and safety," said Mr. Blanchard. "If events like NAOSH Week can stop even one workplace accident from happening, then we are making a difference."

NAOSH Week was well supported by businesses, interest groups, schools and all levels of government in promoting prevention as the cure for workplace accidents and encouraging healthier and safer workplaces across the continent.

Labour Day — September 2001

Something to Celebrate

For most of us, Labour Day signals the end of summer and offers an opportunity for a well-deserved break from normal work routines. But Labour Day is really about much more than that—it is a chance to pay tribute to the contributions that working men and women have made to the economic and social achievements of Canada. It is also a time to reflect on the progress that we as a nation have made in the advancement of the rights and well-being of Canadian workers.

The Labour Program of Human Resources Development Canada has played a proud role in this effort as it works to promote a fair, safe, healthy, stable, cooperative and productive work environment for the nearly one million workers under federal jurisdiction. In the past year, the Labour Program has marked some significant accomplishments.

Last spring, Parliament approved changes to Part II of the *Canada Labour Code* dealing with occupational safety and health matters to create a safer and healthier work environment for Canadians. These changes give employers and employees the responsibility and the capability to deal with health and safety concerns as they arise in the workplace.

On the international scene, in June 2000, Canada supported its commitment to the rights and well-being of children by ratifying the International Labour Organization's Convention on the Elimination of the Worst Forms of Child Labour. In October 2001, Canada will host the next Inter-American Conference of Labour Ministers, which will focus on the social dimensions of globalization and the modernization of labour ministries.

The Labour Program has accomplished a lot for Canada over the past 100 years, but there is still much to do. Today technology and globalization are changing the workplace and the very nature of work itself. Canadians must be equipped with the tools and the institutional support they need for success in the new economy.

Canada's Labour Program will continue to work on these challenges in cooperation with labour, management and other levels of government, both at home and abroad, to ensure that the success of the last century is carried into the next.

SELECTION OF RECENT CHANGES IN CANADIAN LABOUR LAWS

Adopted Bills, Regulations and Other Statutory Instruments

Michel Gauvin and Charles Philippe Rochon
Strategic Policy and International Labour Affairs
Labour Program, Human Resources Development Canada

British Columbia: *Human Rights Code Amendment Act, 2001*; Bill 17; Assented to April 11, 2001

This Act, which will come into force on June 1, 2002, will amend two sections of British Columbia's *Human Rights Code* that pertain, respectively, to discrimination in wages and to remedies in case of contravention.

The revised *Code* will continue to prohibit gender-based wage discrimination. However, this will be on the basis of equal pay "for work of equal value" instead of equal pay "for similar or substantially similar work," as is currently the case. In addition to "skill", "effort" and "responsibility", the concepts of "working conditions" and "knowledge" will have to be used to determine what is work of equal value.

An employee or former employee will be entitled, by order of a member or panel of the Human Rights Tribunal, to compensation for wages or salary lost due to wage discrimination in the 12-month period preceding the date on which the complaint was filed. This is in contrast to the current limit based on the 12 months immediately before the *earlier* of the employee's date of termination or the commencement of the action.

New provisions in the *Code* will recognize the validity of voluntary pay equity plans negotiated in good faith. Complaints of gender-based wage discrimination to the *Human Rights Tribunal* will be dismissed if an employer has established a plan to achieve pay equity by written agreement with the trade union of affected employees, or with each employee not within a bargaining unit. Such a plan must provide for an increase in the compensation of all employees who are the subject of a complaint by not less than 1.0 per cent of the employer's payroll in British Columbia, during each 12-month period, until the problem of wage discrimination is resolved.

Moreover, an order by a member or panel of the tribunal made to remedy a contravention regarding discrimination in wages will have to increase the compensation of the employees who are the subject of a complaint by 1.0 per cent of the employer's annual payroll per 12-month period, until pay equity requirements are met. If deemed in the public interest, it will be possible to broaden the scope of such an order to all the employees of an employer in British Columbia. Trade unions representing such employees and each employee not within a bargaining unit will have to be notified and given an opportunity to make representations before an order is made.

Ontario: *Labour Relations Amendment Act, 2000*; Bill 139 Assented to December 21, 2000

This Act brought a number of amendments to the *Labour Relations Act, 1995*, the most important of which are described below.

- The length of the open periods during which a trade union may file an application to displace another trade union when a collective agreement is in force has been changed from two to three months.
- An application for certification is barred for one year when such an application is withdrawn before a representation vote twice in a six-month period, is withdrawn following the vote or is dismissed by the Ontario Labour Relations Board. In those circumstances, the bar applies to any union with respect to a bargaining unit containing any of the same employee positions. These new provisions do not apply when the application for certification withdrawn or dismissed was from a trade union that cannot be certified because it is dominated by an employer or because it discriminates unlawfully against any person.

- The Board must deal with a decertification application or a union displacement application before dealing with or continuing to deal with an application for first contract arbitration. If the Board grants the decertification or displacement application, it must dismiss the first contract arbitration application. If the Board dismisses the decertification or displacement application, it must then proceed to deal with the first contract arbitration application.
 - The length of the open periods during which employees may apply for the decertification of a trade union when a collective agreement is in force has been changed from two to three months.
 - A new section has been added to the *Act* to require the Minister of Labour to prepare and publish, within one year after the date of assent of the *Act*, a document describing the process for making an application for decertification. The document must explain who may make an application, when an application may be made and the procedure as set out in the *Act* and in the rules of the Board. An employer with respect to whom a trade union has been certified must use reasonable efforts to post a copy of the document in a conspicuous place in every workplace under its control at which the unionized employees perform work, distribute a copy of the document to every unionized employee once each year, and provide a copy to these unionized employees upon request. Doing so does not constitute an unfair labour practice under the *Act*.
 - A new section applies to votes to ratify a first collective agreement and votes to strike in order to obtain a first collective agreement. It requires that the ballot question in a vote to ratify a proposed collective agreement or memorandum of settlement be restricted to a choice between ratifying or not ratifying the proposed collective agreement or memorandum of settlement. No reference to authorizing a strike is permitted. In a vote to authorize a strike, the ballot question is restricted to a choice between authorizing or not authorizing a strike. No reference to ratifying a proposed collective agreement or memorandum of settlement is permitted.
 - Starting in 2001, a trade union is required to provide to the Minister of Labour and to every individual it represents who requests it in writing, a written statement setting out the amount of salary and benefits that it paid in the previous year to or in respect of every official and employee whose total such income from salary and benefits is \$100,000 or more in that year.
 - The *Act* has been amended to provide that disputes with respect to a trade union's duty of fair representation are to be heard by the chair or a vice-chair of the Board, unless the chair considers it inadvisable to do so.
 - A new section provides that, on the application of a party to a hearing before the Board, the chair may terminate and re-institute the proceeding if a decision of the Board has remained pending for six months or more after the last day of the hearing.
- Other changes affect the provisions applying specifically to the construction industry. They are as follows:
- The definition of "non-construction employer" has been clarified, and the *Act* has removed the requirement that a non-construction employer must not have an employee employed in the construction industry on the day it seeks a declaration that a trade union no longer represents employees of that employer in the construction industry.
 - The project agreement provisions of the *Act* have been amended to permit more than one project under a project agreement and to provide for the possible addition of new projects to existing project agreements.
 - Certain provisions of the *Act* have been replaced to extend the protection from certification or voluntary recognition of non-unionized employers and other persons participating in a construction project governed by a project agreement. Previously, that protection applied only to construction work. As a result of the amendments, it also applies to non-construction work carried out under a project agreement.
 - The Board has been given similar powers to deal with disputes relating to sectors in the construction industry that it has in dealing with jurisdictional disputes.

This Act was proclaimed into force on December 30, 2000.

Changes to Parental Leave Provisions in Provincial and Territorial Labour/Employment Standards Legislation

Following the lead of the federal government and most provinces (as mentioned in the Spring 2001 issue of the *Workplace Gazette*), the Northwest Territories and the Yukon have extended the maximum duration of parental leave in their legislation from 12 to 37 weeks. Although these amendments were assented to on March 7 and on May 9, 2001, respectively, they apply retroactively. The extended leave is available to the parents of children born or adopted after December 30, 2000 in the Yukon and December 31, 2000 in the Northwest Territories.

Eligibility requirements for parental leave in both territories remain the same as they were previously. To qualify, parents must have completed at least 12 months of continuous employment with their employer and provide at least four weeks' notice. The parental leave provisions of each territory, however, differ in other respects.

In the Northwest Territories, provisions that previously allowed, in some circumstances, a five-week leave extension for the parents of children suffering from a physical, psychological or emotional condition, have been repealed. Moreover, the maximum period of combined pregnancy and parental leave that can be taken by one employee has been set at 52 weeks. However, nothing in the legislation precludes the other parent of a child to simultaneously take the full period of parental leave.

Different restrictions exist in the Yukon. Parents in the territory who share a parental leave cannot—barring exceptional circumstances—take their leave at the same time, whether or not they work for the same employer. Furthermore, the cumulative total period of parental leave that can be taken by both parents for the same birth or adoption may not exceed a continuous period of 37 weeks.

It should be noted that the Saskatchewan government introduced amendments to the parental leave provisions of the province's *Labour Standards Act* on May 14, 2001. As of May 17, 2001, only Nunavut had yet to undertake modifications to its labour legislation in order to provide employment protection for employees who wish to take full advantage of the recently extended Employment Insurance parental benefits.

For additional information on recently adopted or proposed changes to Canadian Labour Laws, please visit the Labour Program Web site at:

<http://labour-travail.hrdc-drhc.gc.ca/>

and click on "Canadian Labour Law Information".

YESTERDAY AND TODAY

Union Dues

Suzanne Payette
Workplace Information Directorate
Labour Program, Human Resources Development Canada

Fifty Years Ago...

For the first time, union dues became an income tax deduction. The amendment provided that annual dues paid by a member to maintain membership in a trade union, as defined by the *Industrial Relations and Disputes Investigation Act* or any similar provincial statute, may be deducted for income tax purpose from income. The deduction was limited to the annual dues and did not include initiation fees, nor dues levied specifically for such purposes as the creation or maintenance of a building fund, funds for payment of strike benefits or for payment of insurance or annuities or other benefits, including funeral expenses. Amounts paid into a union superannuation fund approved by the Department of National revenue were still deductible under other provisions of the *Act*. The labour organization certified the amount paid by the union member.

The same year, on October 19, Stanley Knowles asked, in the House of Commons, whether members of trade unions and other comparable groups could deduct the expenses related to attending their conventions, as was newly the case for lawyers attending conventions of the Canadian Bar Association. The answer provided by the then Minister of Finance was "where the income tax board had recently decided that the lawyers' convention expenses were necessary expenses in earning their income and

that if a member of a trade union was in the same position of deducting expenses, that his attending a trade union convention was necessary, incidental in the earning of his income, then as a matter of law, the court would hold the same ruling".

Today...

Union dues and amounts equivalent to dues under a Rand formula remain an income tax deduction. A number of jurisdictions and a large number of collective agreements (close to 90 per cent) provide for a check off whereby the employer deducts at the source the dues or equivalency of dues from the employee's salary and remits the dues with a listing of dues-paying and dues-equivalent paying (Rand formula) employees. With a check off system and deductions at the source, the employer provides proof of payment of union dues or equivalency through the issuance of a T-4 slip for income tax purposes. Superannuation paid through employer and employee deductions into a union-managed fund are also documented by the employer.

On the question asked by Stanley Knowles, the answer provided by the then Minister of Finance is probably still relevant.

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The Workplace Information Directorate is your source for up-to-date, customized information on industrial relations and collective bargaining.

By meeting your specific research needs, we can assist you in preparing for the resolution of issues at the bargaining table. We can also help you keep abreast of developments in the industrial relations field through our information service and publications. Our resources are used by negotiators, researchers, economists, consultants, journalists, teachers and many others.

Wage Settlements Bulletin

A monthly publication providing the most up-to-date information and analysis of major wage developments in collective bargaining in Canada. The Bulletin is a valuable and recognized reference source providing statistical and analytical information illustrated with useful charts and tables on recent wage developments in Canada. The aggregate data and details are published in the following groupings: public and private sectors, regions and jurisdictions, and major industry groups. Annual subscription: Canada, \$200 plus 7% GST (\$214); other countries, U.S. \$200. (Available by fax or by mail).

Workplace Gazette

A quarterly publication providing data on wage adjustments from major collective bargaining settlements by public and private sectors, by region, by jurisdiction and by major industry; detailed analysis of selected provisions in major agreements; information on innovative workplace practices in Canada resulting from collective bargaining; a quarterly calendar of major collective agreement expiries and reopeners; and, a chronological perspective on work stoppages in Canada. It also features articles or case studies on pertinent industrial relations matters. Annual subscription: Canada, \$125 plus 7% GST (\$133.75); other countries, U.S. \$125.

Collective Bargaining Bulletin

A monthly publication containing timely information based on recently signed major collective agreements in Canada. The publication focuses on summaries of changes to wages and benefits in selected settlements, the status of key negotiations as well as data on work stoppages in Canada. In addition, a listing of formal and up-to-date reports of major settlements is provided and copies are available by calling the Workplace Information Directorate at 1-800-567-6866 or (819) 997-3117. Annual subscription: Canada, \$50 plus 7% GST (\$53.50); other countries, U.S. \$50.

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*The content of this publication has been prepared by members of
the Social Science Employees Association and the Public Service
Alliance of Canada.*

AT A GLANCE

The *Workplace Gazette* presents a wide range of information and analysis to meet the ever-changing needs of the industrial relations community. Its purpose is to provide a sound base for research in support of the bargaining process.

The *Workplace Gazette* includes information and analysis on wage adjustments, collective agreement provisions, innovative workplace practices, work stoppages, upcoming key negotiations and other related topics.

This issue includes the second quarter data for 2001 on wage adjustments in major collective agreements, both current and historical by public and private sectors, by region, by jurisdiction and by major industry. Also included, is a listing of major settlements reached in the second quarter of 2001; an overview of major changes to the in-house collective agreement analysis data base; information on work stoppages for the second and first quarters of 2001, as well as recent data on union membership in Canada from the annual survey of labour organizations conducted by the Workplace Information Directorate.

Innovative practices in the workplace resulting from collective bargaining are summarized. Labour and business perspectives on Canada's skills challenges are described, based on results from a major survey undertaken by the Canadian Labour and Business Centre.

An article by a seasoned industrial relations practitioner, Gary Johncox, focuses on suggestions for improving productivity as a means of improving the standard of living, including the exchange rate. A professor at the University of Montreal, School of Industrial Relations, describes how to evaluate and assess human resource management effectiveness in the workplace. Highlights from the 2000-2001 survey of innovation and change in labour organizations in Canada are presented.

Information on upcoming conferences include topics such as violence in the workplace and the XII Inter-American Conference of Ministers of Labour. Fire prevention strategies are featured.

Recent changes in Canadian Labour Laws focus on adopted bills, regulations and other statutory instruments. This issue also includes a comparative table of maternity, parental and adoption leave in various jurisdictions. Yesterday and Today describes performance-based pay concepts and issues.

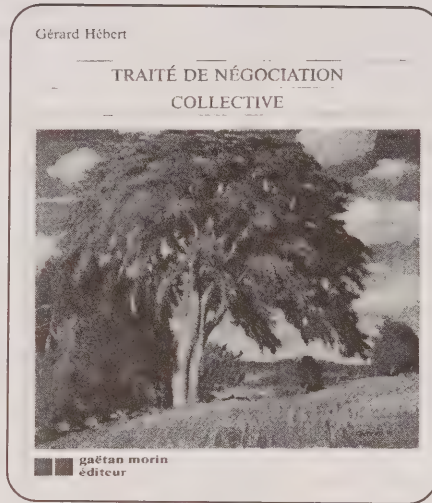
The departmental library is featuring a selected annotated bibliography on patterns of work. This is the first in a series of themes that will be developed over the next year.

Finally, it is with regret that we announce the death of a pioneer and major contributor to the field of Industrial Relations. Gérard Hébert will be sadly missed by his friends and colleagues.

IN MEMORIAM – GÉRARD HÉBERT (1921-2001)

The Industrial Relations Community was greatly saddened to learn of the death of Gérard Hébert in Montréal on the 16th of August 2001. Professor Hébert retired from the School of Industrial Relations, University of Montreal, where he taught collective bargaining and industrial relations for more than 25 years.

Author of many articles and books, he will be particularly remembered for his *Traité de négociation collective* ([TRANSLATION] Treatise on Collective Bargaining), certainly the major work on collective bargaining in the industrial relations literature.



Professor Hébert was also one of the founder members of the Canadian Industrial Relations Association (CIRA) and he greatly contributed to the life of the Association throughout his career. He was CIRA president in 1980-81, co-edited the CIRA state of the discipline project (published in 1988) and was awarded the Gérard Dion Award in 1995 for his outstanding contribution to the field of industrial relations in Canada.

*Our heartfelt condolences go to his wife and partner,
Frances Woods,
also a frequent participant in CIRA activities.
Her sense of loss will be shared by all.*

Messages of sympathy can reach her at:
C/O École de relations industrielles
Université de Montréal
P.O. Box 6128, Station Centre-Ville
Montréal, Qc, H3C 3J7
Fax : (514) 343-5764

by: Gilles Trudeau, Université de Montréal
Gregor Murray, Université Laval

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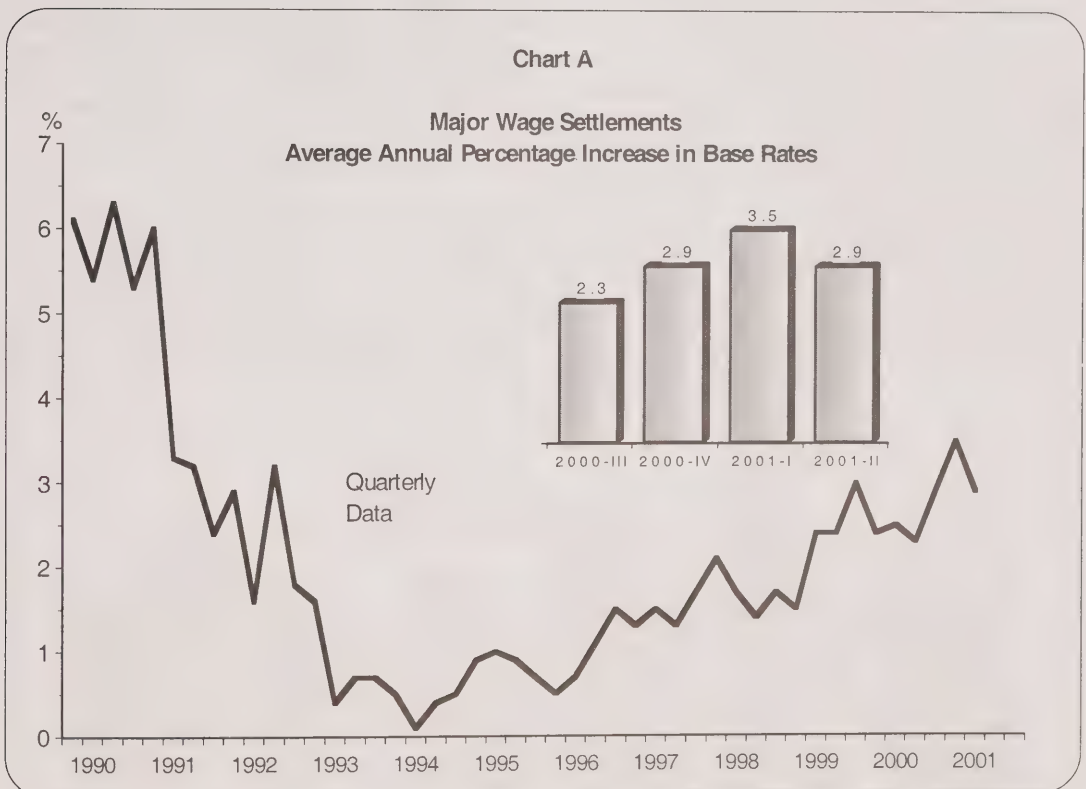
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MAJOR WAGE SETTLEMENTS* – SECOND QUARTER 2001

Summary

- Base-rate wage increases for the **second quarter of the year 2001** averaged **2.9 per cent**
- Wage adjustments in second-quarter **public-sector** settlements averaged **2.8 per cent**. In the **private sector**, wage adjustments averaged **2.9 per cent**
- Alberta recorded the largest private sector wage gains at 5.2 per cent. Newfoundland recorded the largest public sector wage gains at 5.0 per cent
- By industry, the largest average wage adjustments were in **entertainment and hospitality sector** at **4.2 per cent**



Source: Workplace Information Directorate

* Major settlements are those involving bargaining units of 500 or more employees. All wage rate adjustments over the term of these agreements, including those arising from cost-of-living clauses (COLA), are taken into account. The yield of such COLA clauses is estimated on an assumed 2.0 per cent annual increase in the Consumer Price Index.

Overview

Major collective bargaining settlements reached in the **second quarter of the year 2001** provided base-rate wage increases averaging **2.9 per cent** annually over the contract-term, down from the 3.5 per cent figure in the first quarter of 2001 but higher than the 2.5 per cent figure for the year 2000.

The results for the second quarter 2001 are based on a review of 136 settlements covering 278,660 employees. When the parties to these settlements previously negotiated, the resulting wage adjustments averaged 1.9 per cent, a smaller gain than in their current settlements.

Distribution by Size of Wage Adjustments

There has been a gradual rise in the size of overall wage adjustments since 1994. However second quarter wage gains (at 2.9 per cent) moderated somewhat from the 3.5 per cent increase in the previous quarter. This average wage adjustment for the second quarter of the year 2001 also remains below the most recent annual peak of 5.6 per cent in 1990. In 1994, nearly two-thirds of all employees were subject to wage freezes or cuts; last year, that proportion had dropped to 0.8 per cent of all employees; 1.0 per cent of all employees in four settlements reached in the second quarter of this year were subject to a wage freeze. There were no wage cuts.

In the second quarter 2001, only 6.3 per cent of all employees received increases of 0.1 to 1.9 per cent. Half of all employees (50.6 per cent) received increases in the 2.0 to 2.9 per cent range. A significant concentration of employees (27.2 per cent) received wage increases in the 3.0 to 3.9 per cent range. Approximately 15 per cent of employees received increases of 4.0 per cent and over.

Public and Private Sectors

Wage adjustments for 191,600 employees in 78 second-quarter **public-sector** settlements averaged **2.8 per cent**. In the **private sector**, 58 settlements provided wage adjustments averaging **2.9 per cent** for 87,060 employees. Since 1993, average wage adjustments in the private sector had generally been above those in the public sector, although the gap had been narrowing since late 1997. Last year public sector increases had overtaken those in the private sector, but the gap between the two sectors has narrowed again in recent months.

Alberta private-sector agreements, with increases averaging 5.2 per cent in the second quarter, led average private-sector wage adjustments. These results were influenced by the Alberta construction sector agreements. Public sector results were led by three Newfoundland public sector agreements

**Distribution of Agreements and Employees
by Size of Wage Adjustments, Second Quarter 2001**

Adjustment Range	Agreements		Employees	
	Number	Percentage	Number	Percentage
0% (No Increase)	4	2.9	2,670	1.0
Over 0.0% to 0.9%	1	0.7	2,700	1.0
1.0% to 1.9%	14	10.3	14,870	5.3
2.0% to 2.9%	55	40.4	141,100	50.6
3.0% to 3.9%	43	31.6	75,800	27.2
4.0% to 4.9%	12	8.8	25,370	9.1
5.0% to 5.9%	7	5.1	16,150	5.8
ALL LEVELS	136	100.0	278,660	100.0

Source: Workplace Information Directorate

averaging 5.0 per cent, including the 5.0 per cent settlement between the Government of Newfoundland and 6,770 hospital support employees. The Health Employers Association of British Columbia also settled two major agreements with 61,000 public service health-sector employees for wage increases averaging 2.0 and 2.1 per cent.

The largest concentration of public and private sector agreements was in Ontario, with 43 public sector contracts providing 71,200 employees with wage gains averaging 3.2 per cent; in the Ontario private sector, 29 contracts provided 49,110 employees with wage gains averaging 2.8 per cent.

Wage Adjustments by Region/Jurisdiction

On a provincial basis, the largest average wage increase was in **Newfoundland** at 5.0 per cent; however on a regional basis, the **Atlantic Provinces** were second overall, with wage increases averaging 3.8 per cent.

On a regional basis, second quarter 2001 wage settlements were largest in the **Prairie Provinces**, with wage adjustments averaging 3.9 per cent; **Alberta** was the most active in this region (11 of 18 agreements) and recorded wage gains of 4.5 per cent. The larger wage increases were due in large part to the province's construction settlements.

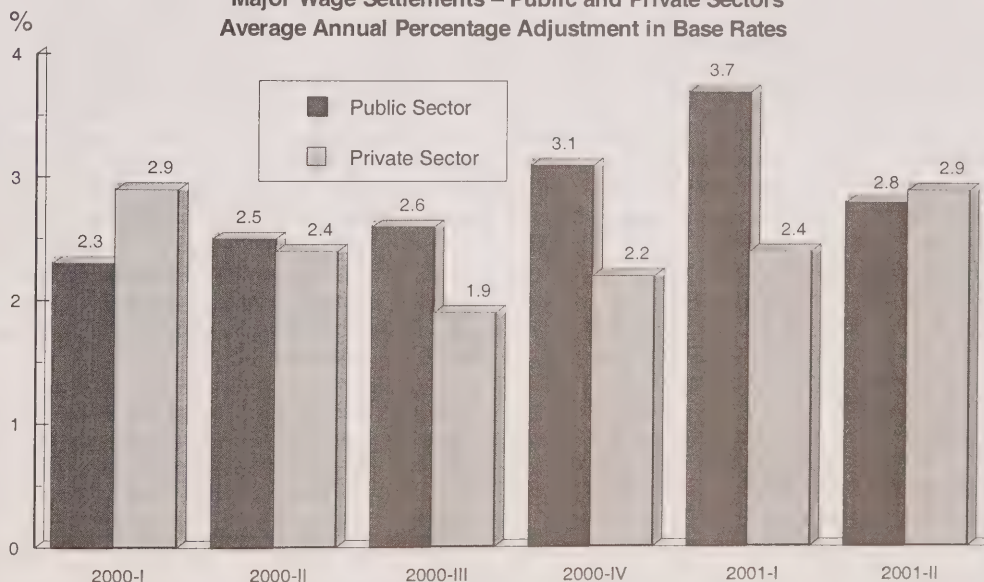
In the **Federal jurisdiction**, wage increases averaged 3.2 per cent; there were seven public sector settlements averaging 3.3 per cent and five private sector settlements with wage gains averaging 2.8 per cent (including two CP Rail settlements with wage increases in the 2.8 to 3.0 per cent range).

Ontario had the largest concentration of employees covered under second quarter settlements. There were 72 agreements providing 120,310 employees with wage increases averaging 3.0 per cent.

In the remaining jurisdictions wage increases in descending order of magnitude were: **Multiprovince** agreements at 2.7 per cent; **Quebec** at 2.4 per cent and **British Columbia** at 2.1 per cent.

Chart B

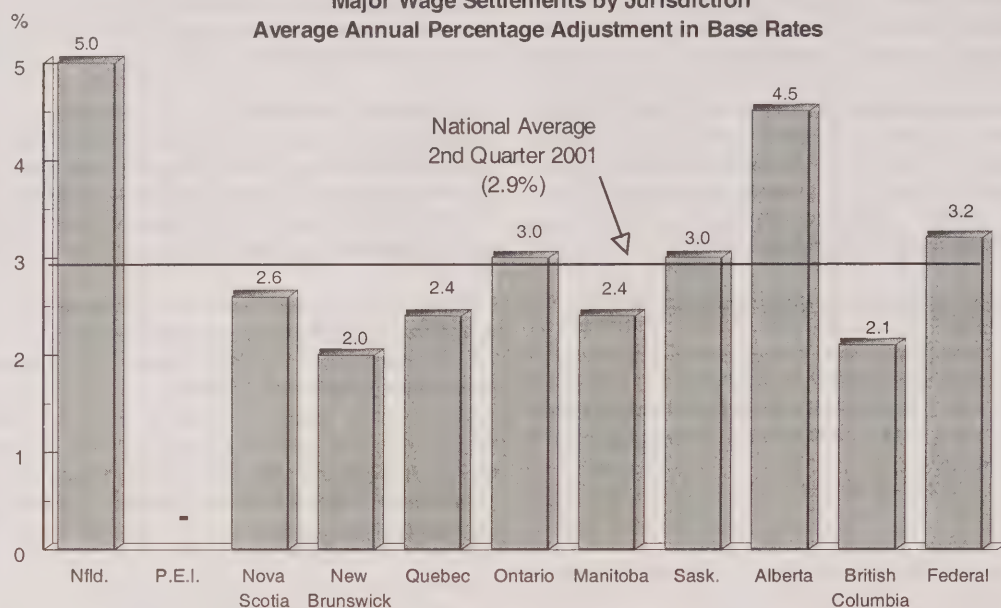
Major Wage Settlements – Public and Private Sectors Average Annual Percentage Adjustment in Base Rates



Source: Workplace Information Directorate

Chart C

Major Wage Settlements by Jurisdiction
Average Annual Percentage Adjustment in Base Rates



Source: Workplace Information Directorate

Wage Adjustments by Industry

On an industry basis, the largest concentration of employees (50.8 per cent), and the largest number of settlements (53 of a total of 136), were in the **education, health and social services** sector, with 141,490 workers obtaining average wage gains of **2.7 per cent**. Wage increases in this sector ranged from a wage freeze for 990 teachers with the Windsor-Essex District School Board in Ontario, to 5.0 per cent for 6,770 hospital support employees in three agreements with the Newfoundland Government.

The largest industry average was in the **entertainment and hospitality** sector but it was derived from only two agreements (including the Windsor Casino at 4.6 per cent) providing 5,000 employees with wage gains averaging 4.3 per cent.

The **construction** sector was very active this quarter. There were more construction agreements (26 contracts) settled in the second quarter of 2001 than for all of the year 2000 (eight contracts). These 26 agreements provided 51,870 employees with wage increases averaging **3.2 per cent**. Wage increases ranged from 1.1 per cent for 600 employees with the Pipe Line Construction Association to 5.6 per cent for 5,800 employees with the Alberta Construction Labour Relations Association.

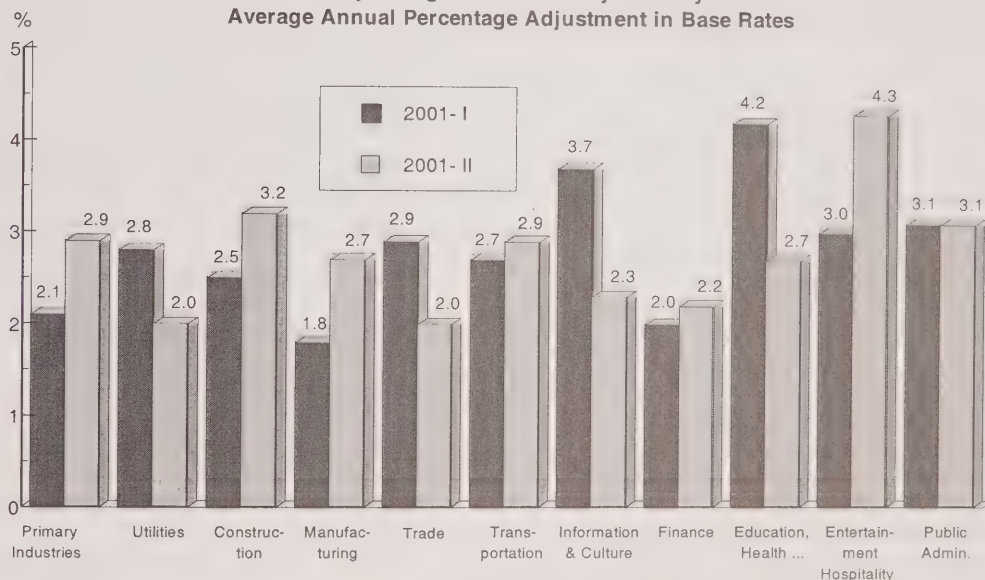
In **manufacturing**, 18 agreements provided 15,360 employees with wage increases averaging **2.7 per cent**. Wage increases ranged from a wage freeze for 550 plant employees with Consumers Glass Inc. in Brampton, Ontario, to a high of 4.5 per cent for 500 employees at Lear Corporation Canada Ltd., also in Ontario.

In **public administration**, 15 settlements provided 33,880 employees with increases averaging **3.1 per cent**. They ranged from 1.8 per cent for 1,760 correctional officers with the Government of Quebec, to 4.4 per cent for 8,800 computer systems administrators (CS group), with the Government of Canada.

For all remaining industry divisions wage increases in ascending order of magnitude were: the **utilities** and the **trade** sectors at 2.0 per cent; the **finance** sector at 2.2 per cent; the **information and culture** sector at 2.3; and the **transportation** sector at 2.9 per cent.

Chart D

Major Wage Settlements by Industry
Average Annual Percentage Adjustment in Base Rates



Source: Workplace Information Directorate

The full 2001 Calendar of Major Collective Agreement Expiries and Reopeners is now available on the Workplace Information Directorate Web site at:

<http://labour.hrdc-drhc.gc.ca/doc/wid-dimt/eng/expreo.cfm>

MAJOR SETTLEMENTS REACHED IN THE SECOND QUARTER 2001

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Primary Industries (2 agreements)	3,190	2.9	2.6	42.7	
Compagnie minière Québec Cartier, hourly-rated employees, Lac-Jeannine, Que.	1,790	1.8*	1.1	48	2005-02-28
Suncor Energy Inc., Oil Sands, mine employees, Fort McMurray, Alta.	1,400	4.2	4.5	36	2004-04-30
Utilities(3 agreements)	3,700	2.0	1.6	34.2	
Enbridge Inc., office and technicians employees, province-wide, Ont.	560	0.0	0.0	24	2003-03-31
Hydro-Québec, scientific and other professionals, province-wide, Que.	2,400	2.2	1.5	36	2001-12-31
SaskEnergy Inc., office and clerical employees, province-wide, Sask.	740	3.0	3.3	36	2004-01-31
Construction (26 agreements)	51,870	3.2	3.4	34.8	
Alberta Construction Labour Relations Association, carpenters, province-wide, Alta.	4,500	5.6	6.3	24	2003-04-30
Alberta Construction Labour Relations Association iron workers, province-wide, Alta.	800	5.6	6.3	24	2003-04-30
Alberta Construction Labour Relations Association, sheet metal workers, province-wide, Alta.	500	5.6	6.2	24	2003-04-30
Alberta Roadbuilders & Heavy Construction Association, operating engineers, province-wide, Alta.	550	3.7	4.0	24	2003-02-28
Architectural Glass and Metal Contractors Association, glaziers, province-wide, Ont.	600	2.5	2.4	36	2004-04-30
Construction Labour Relations Association of Manitoba, carpenters, province-wide, Man.	850	1.9	2.3	36	2004-04-30
Construction Labour Relations Association of Manitoba, labourers, province-wide, Man.	500	2.1	2.2	36	2004-04/30
Construction Labour Relations Association of Manitoba, plumbers and pipefitters, province-wide, Man.	1,000	2.1	1.7	36	2004-04-30
Construction Management Bureau Limited, labourers, Mainland, N.S.	800	3.3	4.4	60	2006-04-30
Independent Plumbing and Heating Contractors' Association, plumbers and pipefitters, Toronto, Ont.	500	4.1	4.6	36	2004-04-30
Labourers Employer Bargaining Agency, labourers, province-wide, Ont.	8,000	3.1	3.0	36	2004-04-30
Master Insulators' Association of Ontario Inc., insulation workers, province-wide, Ont.	1,200	2.5	2.5	36	2004-04-30
Mechanical Contractors Association of Ontario, plumbers and pipefitters, province-wide, Ont.	8,000	3.0	3.4	36	2004-04-30
Metropolitan Plumbing and Heating Contractors Association, plumbers and pipefitters, Toronto, Ont.	700	2.9	2.7	36	2004-04-30
Ontario Concrete & Drain Contractors' Association, labourers, Toronto, Ont.	670	4.0	4.8	36	2004-04-30
Ontario Erectors Association Incorporated, iron workers, province-wide, Ont.	4,000	2.6	2.7	36	2004-04-30

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Construction (continued)					
Ontario Formwork Association, heavy equipment operators, province-wide, Ont.	600	3.7	3.8	36	2004-04-30
Ontario Industrial Roofing Contractors' Association, roofers, province-wide, Ont.	1,300	3.0	2.9	36	2004-04-30
Ontario Sheet Metal and Air Handling Group, sheet metal workers, province-wide, Ont.	5,000	2.4	2.6	36	2004-04-30
Pipe Line Contractors Association of Canada, labourers, Canada-wide	2,000	2.7	3.1	36	2003-04-30
Pipe Line Contractors Association of Canada, operating engineers, Canada-wide	2,000	2.9	3.5	36	2003-04-30
Pipe Line Contractors Association of Canada, truck drivers, Canada-wide	600	1.1	0.6	24	2003-04-30
Residential Low Rise Forming Contractors' Association of Metropolitan Toronto, labourers, Toronto, Ont.	960	3.7	3.8	36	2004-04-30
Rodworker Employer Bargaining Agency, rodmen, province-wide, Ont.	1,500	2.7	2.8	36	2004-04-30
Terrazzo, Tile and Marble Guild of Ontario Inc., masonry workers, province-wide, Ont.	4,200	2.8	2.9	36	2004-04-30
Toronto-Residential Air Handling Group, sheet metal workers, Toronto, Ont.	540	3.0	3.6	36	2004-04-30
Manufacturing (18 agreements)					
A.G. Simpson Co. Limited, plant and maintenance employees, Cambridge, Ont.	1,200	2.5*	1.7	36	2004-07-28
AMF Industries inc., (Division of GEC Alsthom), general tradesmen (non-construction), Montréal, Que.	640	3.0	3.0	36	2003-11-17
Bayer Inc., plant and maintenance employees, Sarnia, Ont.	860	3.2	3.5	36	2004-01-31
Camco Inc., production, Hamilton, Ont.	950	2.2*	2.7	36	2004-04-22
Camco inc., production, Montréal, Que.	830	3.0*	2.9	36	2004-03-04
Canadian Fishing Company, fish processing employees, Coast, B.C.	1,700	1.5	1.5	48	2005-04-15
Cleyn & Tinker inc., plant and maintenance employees, Huntingdon, Que.	500	2.8*	3.1	48	2004-05-02
Collins & Aikman Plastics Ltd., production, Toronto, Ont.	500	1.9*	3.2	36	2004-04-30
Consumers Glass, plant and maintenance employees, Brampton, Ont.	550	0.0*	0.0	36	2004-03-01
Dominion Castings Limited, plant and maintenance employees, Hamilton, Ont.	830	2.1	4.9	36	2004-04-29
GDX Automotive, Division of GenCorp Canada Inc., plant and maintenance employees, Welland, Ont.	1,100	3.6*	3.1	36	2004-05-31
H.J. Heinz Co. of Canada Ltd., plant and maintenance employees, Leamington, Ont.	630	3.3*	3.5	36	2004-04-30
IPL Inc., production, St-Damien-de-Buckland, Que.	500	2.4	2.4	48	2004-12-31
Lear Corporation Canada Ltd., plant and maintenance employees, Ajax, Ont.	500	4.5*	4.3	36	2004-04-30
Motor Coach Industries Limited, production, Winnipeg, Man.	1,200	3.5	3.9	36	2003-09-30
Noranda inc. - Affinerie CCR, production, Montréal-est, Que.	600	4.0*	4.1	36	2004-05-30
Trenton Works Ltd., production, Trenton, N.S.	1,320	3.0*	3.0	36	2003-10-31
Uniroyal Goodrich Tire Manufacturing, production, Kitchener, Ont.	950	2.7*	2.0	36	2004-05-31

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Wholesale and Retail Trade (2 agreements)	1,760	2.0	2.1	30.9	
Société des alcools du Québec, warehouse employees, province-wide, Que.	750	2.5	2.5	24	2002-12-31
Valumart and Independent Grocers, retail employees, province-wide, Ont.	1,010	1.6	1.8	36	2004-01-31
Transportation (8 agreements)	13,610	2.9	3.1	35	
British Columbia Transit (Victoria), bus drivers, Victoria, B.C.	500	2.6	2.5	36	2004-03-31
Canada Post Corporation, postal supervisors, Canada-wide	3,100	2.9*	2.5	48	2005-03-31
Canadian Lake Carriers Association, unlicensed personnel, Great Lakes Region	660	2.0*	3.0	60	2006-05-31
Canadian Pacific Railway, shopcraft employees, system-wide	2,900	2.8	3.2	36	2003-12-31
Canadian Pacific Railway, shopcraft employees, system-wide	2,900	3.0	3.0	12	2004-12-31
City of Calgary, bus drivers, Calgary, Alta.	1,980	3.1	3.0	39	2003-03-31
GO Transit, bus drivers, Toronto and Region, Ont.	780	3.6	6.9	33	2003-07-27
Loomis Courier Service, division of Mayne Nickless Transport Inc., truck drivers, province-wide, B.C.	790	2.3	2.2	36	2003-12-31
Information and Culture (2 agreements)	1,180	2.3	2.6	39.1	
Calgary Public Library Board, librarians, Calgary, Alta.	500	3.1	3.4	27	2003-03-31
Canadian Broadcasting Corporation, administrative services employees, province-wide, Que.	680	1.7	2.0	48	2003-09-24
Finance, Real Estate and Management Services (5 agreements)	7,620	2.2	2.7	45.6	
Association des entrepreneurs de services d'édifices Québec inc., service and maintenance employees, Montréal, Que.	4,500	2.4	3.4	57	2005-05-31
Burns International Security Services Limited, security guards, province-wide, Ont.	1,100	2.0	1.4	36	2004-05-31
National Research Council of Canada technical employees, Canada-wide	900	2.3	2.0	24	2002-02-13
Pacific Blue Cross, B.C. Life & Casualty Company, office and clerical employees, Vancouver, B.C.	570	0.0	0.0	18	2002-07-31
Securicor Cash Services, truck drivers, province-wide, Ont.	550	3.1	4.0	36	2004-05-01
Education, Health and Social Services (53 agreements)	41,490	2.7	2.7	28	
Board of School Trustees District No. 39, building maintenance employees, Vancouver, B.C.	960	1.8	1.5	36	2003-12-31
Capital Care Group, health service-non-professionals, Edmonton, Alta.	510	3.6	4.0	27	2003-06-30
Capital District Health Authority, office and clerical employees, province-wide, N.S.	1,350	2.0	2.0	36	2003-10-31
District School Board of Niagara, elementary teachers, St. Catharines, Ont.	1,900	3.0	3.0	12	2002-08-31
District School Board of Niagara, office and clerical employees, St. Catharines, Ont.	700	3.1	3.1	24	2003-12-31

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Education, Health and Social Services (continued)					
District School Board of Niagara, secondary teachers, St. Catharines, Ont.	1,020	3.0	3.0	12	2002-08-31
District School Board of Niagara, service and maintenance employees, St. Catharines, Ont.	730	3.0	3.0	24	2003-12-31
Dufferin-Peel Catholic District School Board, elementary teachers, Mississauga, Ont.	2,950	3.0	3.0	24	2003-08-31
Dufferin-Peel Catholic District School Board, occasional teachers, Mississauga, Ont.	720	2.0	2.0	12	2001-12-31
Dufferin-Peel Catholic District School Board, secondary teachers, Mississauga, Ont.	1,600	3.0	3.0	24	2003-08-31
Durham District School Board, elementary teachers, Whitby, Ont.	1,850	5.0	5.0	12	2002-08-31
Durham District School Board, occasional teachers, Whitby, Ont.	530	3.5	2.0	24	2002-12-31
Durham District School Board, secondary teachers, Whitby, Ont.	1,410	3.5	2.0	24	2002-08-31
Durham District School Board, teaching assistants, Whitby, Ont.	650	1.7	2.0	21	2002-03-31
Fort Garry School Division No. 5, elementary and secondary teachers, Fort Garry, Man.	520	1.7	1.5	42	2000-06-30
Government of Newfoundland and Labrador, laboratory technicians, province-wide, Nfld.	830	5.0	5.0	36	2004-03-31
Government of Newfoundland and Labrador, teaching assistants, province-wide, Nfld.	900	5.0	5.0	36	2004-03-31
Government of Newfoundland and Labrador, support employees, province-wide, Nfld.	6,770	5.0	5.0	36	2004-03-31
Government of Quebec, post-secondary, non-university teachers, province-wide, Que.	830	2.4	1.6	48	2002-06-30
Halton District School Board, elementary teachers, Burlington, Ont.	1,700	3.9	3.9	12	2002-08-31
Hamilton-Wentworth District School Board, custodial, Hamilton, Ont.	500	1.3	1.3	24	2003-08-31
Hamilton-Wentworth District School Board, elementary teachers, Hamilton, Ont.	2,100	3.1	3.8	24	2002-08-31
Hamilton-Wentworth District School Board, occasional teachers, Hamilton, Ont.	530	4.3	2.2	24	2002-08-31
Health Employers Association of British Columbia, non-medical employees, province-wide, B.C.	46,000	2.1*	2.3	36	2004-03-31
Health Employers Association of British Columbia, non-medical employees, province-wide, B.C.	15,000	2.0*	2.0	36	2004-03-31
Kawartha Pine Ridge District School Board, elementary teachers, Peterborough, Ont.	1,510	3.4	3.4	12	2001-08-31
Lambton Kent District School Board, elementary teachers, Sarnia, Ont.	1,000	4.7	4.7	12	2001-08-31
Lambton Kent District School Board, secondary teachers, Sarnia, Ont.	660	2.4	2.4	12	2002-08-31
Limestone District School Board, elementary teachers, Kingston, Ont.	760	2.5	2.5	12	2002-08-31
Near North District School Board, elementary teachers, Parry Sound, Ont.	500	2.5	2.5	12	2001-08-31
Northern Alberta Institute of Technology, instructors/tutors/lecturers, Edmonton, Alta.	820	4.7	5.0	36	2004-07-03
Ottawa-Carleton District School Board, elementary teachers, Nepean, Ont.	3,200	4.0	6.1	24	2002-08-31
Peel District School Board, teaching assistants, Mississauga, Ont.	650	3.3	4.9	36	2002-08-31
Peterborough Victoria Northumberland & Clarington Catholic District School Board, support employees, Peterborough, Ont.	520	2.0	2.0	12	2002-08-31
Red River College, instructors/tutors/lecturers, Winnipeg, Man.	950	2.3	2.3	36	2003-06-30

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Education, Health and Social Services (continued)					
Simcoe County District School Board, elementary teachers, Midhurst, Ont.	1,860	3.7	3.7	12	2001-08-31
Simcoe County District School Board, elementary teachers, Midhurst, Ont.	1,850	2.5	2.5	12	2002-08-31
Simcoe County District School Board, occasional teachers, Midhurst, Ont.	720	3.7	3.6	24	2003-08-31
Thames Valley District School Board, elementary teachers, London, Ont.	2,950	4.0	4.0	12	2002-08-31
Thames Valley District School Board, secondary teachers, London, Ont.	1,750	3.7	3.7	12	2002-08-31
Toronto Catholic District School Board, elementary teachers, Toronto, Ont.	3,600	3.0	3.0	12	2002-08-31
Toronto Catholic District School Board, occasional teachers, Toronto, Ont.	800	2.0	1.5	24	2002-08-31
Toronto Catholic District School Board, secondary teachers, Toronto, Ont.	2,000	2.5	3.0	24	2003-08-31
Toronto District School Board, custodial, Toronto, Ont.	2,800	3.5	2.0	20	2002-04-30
Toronto District School Board, instructors, Toronto, Ont.	2,880	3.5	2.0	20	2002-04-30
Toronto District School Board, occasional teachers, Toronto, Ont.	1,200	1.8	1.9	24	2002-08-31
Toronto District School Board, occasional teachers, Toronto, Ont.	2,150	1.8	1.9	24	2002-08-31
Toronto District School Board, office and clerical employees, Toronto, Ont.	7,200	3.5	2.0	20	2002-04-30
Toronto District School Board, tradesmen, Toronto, Ont.	860	2.3	2.5	36	2003-08-31
University College of the Fraser Valley Board, post-secondary non-university teachers, Abbotsford, B.C.	750	2.6	2.0	24	2003-03-31
Upper Canada District School Board No. 26, elementary teachers, Brockville, Ont.	1,300	2.5	2.5	12	2002-08-31
Windsor-Essex Catholic District School Board, elementary teachers, Windsor, Ont.	990	0.0	0.0	12	2001-08-31
York Catholic District School Board, elementary and secondary teachers, Aurora, Ont.	2,700	0.9	1.2	24	2003-08-31
Entertainment and Hospitality (2 agreements)	5,000	4.3	6.6	36	
Visiting Homemakers Association, non-medical employees, Toronto, Ont.	600	2.4	2.6	36	2004-03-31
Windsor Casino Limited, casino employees, Windsor, Ont.	4,400	4.6	7.1	36	2004-03-31
Public Administration (15 agreements)	33,880	3.1	2.6	33.7	
Alberta Treasury Branches (Div. Treasury Dept.-Gov't of Alberta), administrative services employees, province-wide, Alta.	1,600	3.9	4.0	24	2003-03-31
British Columbia Assessment Authority, office and clerical employees, province-wide, B.C.	590	2.5*	3.0	36	2003-12-31
Canadian Food Inspection Agency, administrative and support employees, Canada-wide	3,500	2.6	3.8	36	2002-12-31
City of Laval, inside employees, Laval, Que.	670	2.3	2.0	36	2002-12-31
City of Lethbridge, inside and outside employees, Lethbridge, Alta.	610	2.2	3.0	32	2002-12-31
City of Thunder Bay, inside and outside employees, Thunder Bay, Ont.	720	2.5	2.5	24	2002-12-31
Government of British Columbia, scientific and other professionals, province-wide, B.C.	1,500	2.4*	2.5	36	2004-03-31
Government of Canada, computer operators, Canada-wide	8,800	4.4	2.5	24	2002-04-30
Government of Canada, social science employees, Canada-wide	7,200	2.9	2.5	36	2003-06-21
Government of Canada, translators, Canada-wide	930	2.5	2.5	36	2003-04-18
Government of New Brunswick, general tradesmen (non-construction), province-wide, N.B.	3,000	2.0	2.0	48	2003-12-15

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Public Administration (continued)					
Government of Nova Scotia, service and maintenance employees, province-wide, N.S.	1,200	2.2	2.2	36	2002-10-31
Government of Nunavut, office and technicians employees, Iqaluit, Nunavut	1,300	3.0	3.5	36	2003-03-31
Government of Quebec, correctional officers, province-wide, Que.	1,760	1.8	1.5	48	2002-12-31
Société immobilière du Québec, office and clerical employees, Montréal, Que.	500	2.5	2.5	36	2002-12-31
Agreements with COLA (19 agreements)	78,270	2.2	2.3	37	
*Agreements without COLA (117 agreements)	390	3.1	3.1	29.7	
*All Agreements (136 agreements)	78,660	2.9	2.9	31.8	

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Source: Workplace Information Directorate

A list of settlements of small bargaining units (less than 500 employees) is available on the Workplace Information Directorate Web site:

<http://labour-travail.hrdc-drhc.gc.ca/doc/wid-dimt/eng>

The Collective Bargaining Bulletin, a monthly publication, contains a list of formal and up-to-date summaries of the major settlements shown above.

Copies of these settlement summaries, available in English and French, can now be obtained by visiting NEGOTECH at < <http://206.191.16.138/gol/> >. These summaries are also available from the Workplace Information Directorate at 1-800-567-6866 or Client Services at (819) 997-3117 or E-mail: wid-imt@hrdc-drhc.gc.ca or Web site: <http://labour-travail.hrdc-drhc.gc.ca>

Table 1
Major Wage Settlements, by Public and Private Sectors,
by Year and Quarter

Year	Public Sector				Private Sector				All Sectors			
	Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.
	(Months)	(000's)	(%)		(Months)	(000's)	(%)		(Months)	(000's)	(%)	
1981	290	18.9	577.6	13.1	210	27.3	323.4	12.6	500	21.9	901.0	13.0
1982	319	14.6	865.1	10.4	189	25.2	282.2	9.5	508	17.2	1,147.3	10.2
1983	458	19.6	1,241.6	4.6	200	25.0	302.8	5.5	658	20.6	1,544.3	4.8
1984	276	17.0	635.2	3.9	283	26.1	521.0	3.2	559	21.1	1,156.2	3.6
1985	316	21.7	566.8	3.8	200	30.1	271.8	3.3	516	24.5	838.6	3.7
1986	321	25.3	709.2	3.6	232	26.0	412.2	3.0	553	25.6	1,121.5	3.4
1987	270	29.4	824.3	4.1	208	31.4	287.0	3.8	478	29.9	1,111.3	4.0
1988	301	24.0	698.6	4.0	241	27.2	484.1	5.0	542	25.3	1,182.7	4.4
1989	294	30.0	736.0	5.2	159	28.6	265.8	5.2	453	29.6	1,001.8	5.2
1990	283	27.4	677.8	5.6	224	29.7	468.5	5.7	507	28.4	1,146.4	5.6
1991	365	16.0	1,121.7	3.4	182	29.2	224.0	4.4	547	18.2	1,345.6	3.6
1992	301	21.7	975.9	2.0	195	32.2	330.9	2.6	496	24.3	1,306.8	2.1
1993	347	23.4	1,012.0	0.6	171	25.2	400.5	0.8	518	23.9	1,412.5	0.7
1994	299	26.5	719.8	-0.0	135	34.5	222.8	1.2	434	28.4	942.6	0.3
1995	215	31.4	629.6	0.6	186	35.9	278.4	1.4	401	32.8	908.0	0.9
1996	212	31.7	564.3	0.5	166	34.7	246.1	1.7	378	32.6	810.4	0.9
1997	220	30.3	370.3	1.1	159	38.1	321.9	1.8	379	33.9	692.2	1.5
1998	221	31.1	646.3	1.6	182	34.4	274.2	1.8	403	32.1	920.5	1.7
1999	217	35.0	506.4	1.9	158	38.4	314.7	2.7	375	36.3	821.1	2.2
2000	295	33.6	913.4	2.5	100	42.8	160.1	2.3	395	34.9	1,073.6	2.5
2001 *	133	29.6	332.3	3.2	79	35.8	122.5	2.8	212	31.3	454.8	3.1
* Year to Date												
Quarter												
1998 I	45	36.4	97.0	2.1	23	33.6	38.3	2.3	68	35.6	135.3	2.1
II	56	32.0	157.5	1.7	71	27.9	111.1	1.7	127	30.3	268.6	1.7
III	52	33.2	186.5	1.2	54	40.9	85.9	1.8	106	35.6	272.4	1.4
IV	68	25.9	205.3	1.7	34	39.9	38.9	2.0	102	28.1	244.2	1.7
1999 I	78	32.5	192.2	1.3	30	38.1	55.7	2.2	108	33.8	247.9	1.5
II	71	37.4	205.0	2.4	54	40.6	64.0	2.5	125	38.2	268.9	2.4
III	33	36.9	50.0	2.3	42	37.5	127.5	2.4	75	37.3	177.5	2.4
IV	35	33.4	59.3	2.1	32	38.3	67.5	3.8	67	36.0	126.7	3.0
2000 I	123	39.9	497.3	2.3	29	31.5	38.6	2.9	152	39.3	535.9	2.4
II	57	21.3	209.2	2.5	29	40.7	32.5	2.4	86	23.9	241.8	2.5
III	40	33.6	76.9	2.6	21	51.8	60.5	1.9	61	41.6	137.4	2.3
IV	75	28.9	130.0	3.1	21	41.6	28.5	2.2	96	31.2	158.5	2.9
2001 I	55	29.3	140.7	3.7	21	35.0	35.5	2.4	76	30.5	176.1	3.5
II	78	29.8	191.6	2.8	58	36.2	87.1	2.9	136	31.8	278.7	2.9
III	-	-	-	-	-	-	-	-	-	-	-	-
IV	-	-	-	-	-	-	-	-	-	-	-	-

Agmts. - Number of Agreements
Dur. - Average Agreement Duration
Empls. - Number of Employees
Avg. Adj. - Average Annual Adjustment

Table 2
Effective Wage Adjustment in Base Rates, by Region/Jurisdiction,
by Year and Quarter

	1998	1999	2000	2000 - 2001			
	(%)	(%)	(%)	3	4	1	2
				(%)	(%)	(%)	(%)
All Sectors							
CANADA	1.7	2.2	2.5	2.3	2.9	3.5	2.9
<i>Atlantic</i>	2.1	2.0	2.6	2.7	3.9	2.0	3.8
Newfoundland	1.3	1.6	3.6	-	6.3	-	5.0
Prince Edward Island	2.1	2.7	2.2	-	-	2.5	-
Nova Scotia	2.9	2.1	2.2	-	-	2.0	2.6
New Brunswick	1.5	2.4	2.8	2.7	3.3	2.0	2.0
Quebec	1.1	1.6	2.3	2.8	2.6	3.9	2.4
Ontario	1.6	2.2	2.5	2.2	2.9	2.9	3.0
<i>Prairies</i>	2.4	3.0	3.8	2.6	3.5	5.2	3.9
Manitoba	1.4	2.5	2.6	2.4	3.5	1.8	2.4
Saskatchewan	1.8	2.0	3.5	-	3.6	3.0	3.0
Alberta	3.0	4.0	4.4	3.0	3.4	5.8	4.5
British Columbia	0.8	0.8	1.7	1.9	2.2	2.9	2.1
Territories	1.0	1.9	2.5	-	2.3	3.2	3.0
Multiprovince	1.7	2.8	2.1	2.7	-	-	2.6
Total Federal	2.1	2.8	2.2	3.0	2.4	3.3	3.2
Public Sector							
CANADA	1.6	1.9	2.5	2.6	3.1	3.7	2.8
<i>Atlantic</i>	2.1	1.8	2.9	-	4.4	2.0	3.9
Newfoundland	1.3	1.3	5.3	-	6.3	-	5.0
Prince Edward Island	2.1	2.9	2.2	-	-	2.5	-
Nova Scotia	3.0	2.3	2.2	-	-	-	2.1
New Brunswick	1.5	3.1	3.5	-	3.8	2.0	2.0
Quebec	1.3	1.7	2.3	2.2	2.9	4.1	2.2
Ontario	1.3	1.5	2.6	2.9	3.0	3.2	3.2
<i>Prairies</i>	2.2	2.9	3.8	2.6	3.5	5.4	3.2
Manitoba	1.2	2.5	2.6	2.4	3.5	2.2	2.1
Saskatchewan	1.8	2.2	3.5	-	3.6	3.0	3.0
Alberta	2.6	3.8	4.5	3.0	3.5	5.9	3.5
British Columbia	0.7	0.6	1.4	1.6	2.2	2.9	2.1
Territories	1.0	1.9	2.5	-	2.3	3.2	3.0
Multiprovince	-	-	-	-	-	-	-
Total Federal	2.2	2.8	2.2	3.4	2.4	3.9	3.3
Private Sector							
CANADA	1.8	2.7	2.3	1.9	2.2	2.4	2.9
<i>Atlantic</i>	1.8	2.2	1.8	2.7	0.0	2.0	3.1
Newfoundland	1.9	2.3	2.4	-	-	-	-
Prince Edward Island	-	2.3	-	-	-	-	-
Nova Scotia	1.8	1.9	1.7	-	-	2.0	3.1
New Brunswick	1.7	2.3	1.4	2.7	0.0	-	-
Quebec	1.0	1.6	2.9	3.9	2.0	2.6	2.5
Ontario	2.1	3.5	2.2	1.4	2.3	2.3	2.8
<i>Prairies</i>	3.2	3.8	3.6	-	2.1	1.9	4.4
Manitoba	1.6	3.1	3.3	-	-	0.6	2.6
Saskatchewan	1.1	0.8	-	-	-	-	-
Alberta	4.5	5.1	3.8	-	2.1	2.7	5.2
British Columbia	1.5	1.3	2.0	2.0	2.0	-	1.4
Territories	-	-	-	-	-	-	-
Multiprovince	1.7	2.8	2.1	2.7	-	-	2.6
Total Federal	1.7	2.8	2.2	2.6	2.3	2.7	2.8

Table 3
Number of Agreements and Employees Covered, by Region/Jurisdiction,
by Year and Quarter

	1998		1999		2000	
	Number of Agreements	Number of Employees (000's)	Number of Agreements	Number of Employees (000's)	Number of Agreements	Number of Employees (000's)
All Sectors						
CANADA	403	920.5	375	821.1	395	1,073.6
<i>Atlantic</i>	42	93.4	22	20.0	19	29.1
Newfoundland	7	25.4	8	9.7	4	5.0
Prince Edward Island	3	3.9	3	2.2	2	1.3
Nova Scotia	18	39.0	6	3.9	4	11.7
New Brunswick	14	25.0	5	4.3	9	11.1
Quebec	53	82.1	38	113.1	95	345.4
Ontario	143	270.1	174	316.3	147	282.4
<i>Prairies</i>	83	134.0	68	141.4	60	109.0
Manitoba	20	22.3	18	38.7	19	29.3
Saskatchewan	12	32.3	14	41.1	4	14.3
Alberta	51	79.4	36	61.6	37	65.4
British Columbia	35	151.8	25	71.9	33	64.4
Territories	1	2.3	2	4.6	3	5.5
Multiprovince	2	7.0	3	2.2	3	2.8
Total Federal	44	179.8	43	151.6	35	235.0
Public Sector						
CANADA	221	646.3	217	506.4	295	913.4
<i>Atlantic</i>	29	81.6	10	10.7	10	21.3
Newfoundland	6	22.9	4	6.6	3	2.0
Prince Edward Island	3	3.9	2	1.5	2	1.3
Nova Scotia	11	33.6	3	2.1	2	10.6
New Brunswick	9	21.1	1	0.6	3	7.3
Quebec	14	23.6	12	25.8	76	322.0
Ontario	78	167.9	115	211.8	102	209.9
<i>Prairies</i>	62	106.5	48	119.3	57	106.4
Manitoba	11	11.7	13	34.2	18	28.2
Saskatchewan	10	30.5	10	36.7	4	14.3
Alberta	41	64.3	25	48.5	35	63.9
British Columbia	15	133.7	13	57.6	25	38.9
Territories	1	2.3	2	4.6	3	5.5
Multiprovince	-	-	-	-	-	-
Total Federal	22	130.7	17	76.5	22	209.5
Private Sector						
CANADA	182	274.2	158	314.7	100	160.1
<i>Atlantic</i>	13	11.8	12	9.3	9	7.8
Newfoundland	1	2.5	4	3.1	1	3.0
Prince Edward Island	-	-	1	0.7	-	-
Nova Scotia	7	5.4	3	1.8	2	1.1
New Brunswick	5	3.9	4	3.7	6	3.7
Quebec	39	58.5	26	87.3	19	23.3
Ontario	65	102.2	59	104.5	45	72.5
<i>Prairies</i>	21	27.5	20	22.1	3	2.6
Manitoba	9	10.5	5	4.6	1	1.1
Saskatchewan	2	1.8	4	4.4	-	-
Alberta	10	15.1	11	13.1	2	1.5
British Columbia	20	18.2	12	14.3	8	25.5
Territories	-	-	-	-	-	-
Multiprovince	2	7.0	3	2.2	3	2.8
Total Federal	22	49.1	26	75.1	13	25.6

Table 3 (continued)
Number of Agreements and Employees Covered, by Region/Jurisdiction,
by Year and Quarter

2000 - 2001

	3		4		1		2	
	Number of Agreements	Number of Employees (000's)	Number of Agreements	Number of Employees (000's)	Number of Agreements	Number of Employees (000's)	Number of Agreements	Number of Employees (000's)
All Sectors								
CANADA	61	137.4	96	158.5	76	176.1	136	278.7
<i>Atlantic</i>	1	0.5	4	7.6	3	6.8	8	16.2
Newfoundland	-	-	2	1.5	-	-	3	8.5
Prince Edward Island	-	-	-	-	1	0.5	-	-
Nova Scotia	-	-	-	-	1	0.5	4	4.7
New Brunswick	1	0.5	2	6.1	1	5.8	1	3.0
Quebec	6	5.6	11	19.4	3	3.3	13	16.3
Ontario	21	54.4	47	62.5	36	66.3	72	120.3
<i>Prairies</i>	15	22.6	15	30.2	19	40.5	18	19.5
Manitoba	11	15.7	3	4.7	4	3.7	6	5.0
Saskatchewan	-	-	3	13.8	3	2.9	1	0.7
Alberta	4	7.0	9	11.8	12	33.9	11	13.8
British Columbia	11	36.3	10	12.6	3	36.0	9	67.6
Territories	-	-	1	2.5	1	0.7	1	1.3
Multiprovince	1	0.8	-	-	-	-	3	4.6
Total Federal	6	17.2	8	23.8	11	22.6	12	32.9
Public Sector								
CANADA	40	76.9	75	130.0	55	140.7	78	191.6
<i>Atlantic</i>	-	-	3	6.8	2	6.3	6	14.1
Newfoundland	-	-	2	1.5	-	-	3	8.5
Prince Edward Island	-	-	-	-	1	0.5	-	-
Nova Scotia	-	-	-	-	-	-	2	2.6
New Brunswick	-	-	1	5.3	1	5.8	1	3.0
Quebec	4	3.6	5	12.6	2	2.8	6	6.9
Ontario	14	28.3	40	53.9	26	45.1	43	71.2
<i>Prairies</i>	15	22.6	14	29.6	17	37.9	9	8.2
Manitoba	11	15.7	3	4.7	3	2.7	2	1.5
Saskatchewan	-	-	3	13.8	3	2.9	1	0.7
Alberta	4	7.0	8	11.2	11	32.3	6	6.0
British Columbia	4	12.3	9	11.1	3	36.0	6	64.8
Territories	-	-	1	2.5	1	0.7	1	1.3
Multiprovince	-	-	-	-	-	-	-	-
Total Federal	3	10.1	3	13.3	4	11.9	7	25.1
Private Sector								
CANADA	21	60.5	21	28.5	21	35.5	58	87.1
<i>Atlantic</i>	1	0.5	1	0.8	1	0.5	2	2.1
Newfoundland	-	-	-	-	-	-	-	-
Prince Edward Island	-	-	-	-	-	-	-	-
Nova Scotia	-	-	-	-	1	0.5	2	2.1
New Brunswick	1	0.5	1	0.8	-	-	-	-
Quebec	2	2.0	6	6.7	1	0.5	7	9.4
Ontario	7	26.1	7	8.5	10	21.2	29	49.1
<i>Prairies</i>	-	-	1	0.6	2	2.7	9	11.3
Manitoba	-	-	-	-	1	1.0	4	3.6
Saskatchewan	-	-	-	-	-	-	-	-
Alberta	-	-	1	0.6	1	1.7	5	7.8
British Columbia	7	24.0	1	1.5	-	-	3	2.8
Territories	-	-	-	-	-	-	-	-
Multiprovince	1	0.8	-	-	-	-	3	4.6
Total Federal	3	7.1	5	10.5	7	10.6	5	7.8

Table 4
Effective Wage Adjustment in Base Rates, by Major Industry Division, with and without COLA, by Year and Quarter

	Non-COLA Agreements				COLA Agreements				All Agreements			
	Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.
	(Months)	(Months)	(000's)	(%)	(Months)	(Months)	(000's)	(%)	(Months)	(Months)	(000's)	(%)
Primary Industries												
1998	2	36.0	1.8	1.1	-	-	-	-	2	36.0	1.8	1.1
1999	4	47.8	2.9	1.8	4	45.2	3.8	2.5	8	46.3	6.7	2.2
2000	-	-	-	-	3	36.0	4.9	1.6	3	36.0	4.9	1.6
2000 III	-	-	-	-	-	-	-	-	-	-	-	-
IV	-	-	-	-	1	36.0	0.7	2.3	1	36.0	0.7	2.3
2001 I	-	-	-	-	1	42.0	1.3	2.1	1	42.0	1.3	2.1
II	1	36.0	1.4	4.2	1	48.0	1.8	1.8	2	42.7	3.2	2.9
Utilities												
1998	9	26.6	21.6	2.4	1	36.0	0.5	2.1	10	26.9	22.1	2.4
1999	14	50.8	30.1	1.8	2	24.0	1.6	2.4	16	49.5	31.7	1.8
2000	13	25.2	25.6	3.2	-	-	-	-	13	25.2	25.6	3.2
2000 III	4	36.0	5.8	2.5	-	-	-	-	4	36.0	5.8	2.5
IV	3	29.5	4.1	2.7	-	-	-	-	3	29.5	4.1	2.7
2001 I	2	18.6	4.9	3.0	2	24.0	1.4	2.2	4	19.8	6.3	2.8
II	3	34.2	3.7	2.0	-	-	-	-	3	34.2	3.7	2.0
Construction												
1998	46	34.1	94.6	2.4	3	48.0	2.2	3.0	49	34.4	96.8	2.4
1999	21	36.1	97.8	2.0	-	-	-	-	21	36.1	97.8	2.0
2000	7	25.2	8.9	3.6	1	48.0	0.5	2.7	8	26.4	9.4	3.6
2000 III	1	36.0	0.8	2.7	1	48.0	0.5	2.7	2	40.6	1.3	2.7
IV	-	-	-	-	-	-	-	-	-	-	-	-
2001 I	1	36.0	13.0	2.5	-	-	-	-	1	36.0	13.0	2.5
II	26	34.8	51.9	3.2	-	-	-	-	26	34.8	51.9	3.2
Manufacturing												
1998	47	30.1	61.2	0.9	25	38.2	23.3	3.1	72	32.3	84.6	1.5
1999	42	52.9	30.1	1.8	31	35.5	72.8	4.2	73	40.6	102.9	3.5
2000	35	35.0	46.9	2.1	17	37.4	21.7	3.0	52	35.7	68.5	2.4
2000 III	5	36.0	20.7	2.0	3	43.2	3.0	3.5	8	36.9	23.7	2.2
IV	8	36.4	8.0	1.4	1	36.0	0.5	3.4	9	36.4	8.5	1.5
2001 I	5	39.4	5.0	1.7	3	30.1	2.0	2.3	8	36.7	7.0	1.8
II	6	40.6	5.7	2.5	12	36.6	9.6	2.8	18	38.1	15.4	2.7
Wholesale and Retail Trade												
1998	13	39.6	18.1	1.8	-	-	-	-	13	39.6	18.1	1.8
1999	10	32.6	11.8	1.6	1	36.0	5.2	0.6	11	33.7	17.0	1.3
2000	12	54.9	31.1	1.9	2	71.4	10.6	1.0	14	59.1	41.7	1.7
2000 III	3	60.5	19.9	1.7	1	72.0	7.6	1.0	4	63.6	27.5	1.5
IV	5	44.6	5.0	2.1	1	70.0	3.0	1.0	6	54.1	8.0	1.7
2001 I	1	36.0	0.7	2.9	-	-	-	-	1	36.0	0.7	2.9
II	2	30.9	1.8	2.0	-	-	-	-	2	30.9	1.8	2.0
Transportation												
1998	22	35.3	36.4	2.1	2	41.3	3.5	1.9	24	35.9	39.9	2.1
1999	19	37.9	47.2	2.9	4	43.0	12.8	2.3	23	39.0	60.0	2.8
2000	14	39.0	41.5	2.7	5	34.3	53.6	2.2	19	36.4	95.1	2.4
2000 III	2	48.2	10.6	3.4	2	57.3	7.2	1.9	4	51.9	17.8	2.8
IV	4	29.5	10.8	2.4	1	48.0	0.5	2.3	5	30.4	11.3	2.4
2001 I	7	36.3	10.5	2.7	1	36.0	1.1	2.1	8	36.2	11.7	2.7
II	6	29.3	9.9	2.9	2	50.1	3.8	2.7	8	35.0	13.6	2.9
Agmts.	-	Number of Agreements										
Dur.	-	Average Agreement Duration										
Empls.	-	Number of Employees										
Avg. Adj.	-	Average Annual Adjustment										

Table 4 (continued)

**Effective Wage Adjustment in Base Rates, by Major Industry Division, with and without COLA,
by Year and Quarter**

	Non-COLA Agreements				COLA Agreements				All Agreements			
	Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.
	(Months)	(Months)	(000's)	(%)		(Months)	(000's)	(%)		(Months)	(000's)	(%)
Information and Culture												
1998	11	40.9	23.3	1.1	1	48.0	1.1	2.4	12	41.2	24.4	1.1
1999	14	32.6	34.8	2.5	4	56.7	11.2	2.4	18	38.5	46.0	2.5
2000	8	39.4	10.3	2.9	-	-	-	-	8	39.4	10.3	2.9
2000 III	1	36.0	1.7	2.0	-	-	-	-	1	36.0	1.7	2.0
IV	4	42.5	4.6	3.7	-	-	-	-	4	42.5	4.6	3.7
2001 I	1	36.0	3.6	3.7	-	-	-	-	1	36.0	3.6	3.7
II	2	39.1	1.2	2.3	-	-	-	-	2	39.1	1.2	2.3
Finance, Real Estate and Management Services												
1998	11	23.9	21.3	0.7	2	50.4	1.3	2.6	13	25.5	22.7	0.8
1999	4	34.5	2.9	2.8	-	-	-	-	4	34.5	2.9	2.8
2000	7	35.4	12.0	1.7	1	36.0	1.1	2.8	8	35.4	13.1	1.8
2000 III	2	43.9	6.4	1.6	-	-	-	-	2	43.9	6.4	1.6
IV	-	-	-	-	-	-	-	-	-	-	-	-
2001 I	3	17.8	2.7	2.0	-	-	-	-	3	17.8	2.7	2.0
II	5	45.6	7.6	2.2	-	-	-	-	5	45.6	7.6	2.2
Education, Health and Social Services												
1998	133	32.9	350.8	1.4	2	28.1	1.1	0.8	135	32.9	351.9	1.4
1999	138	36.5	297.7	1.8	-	-	-	-	138	36.5	297.7	1.8
2000	192	38.2	497.6	2.6	2	31.7	1.4	3.6	194	38.2	499.0	2.6
2000 III	16	21.2	24.7	2.8	1	24.0	0.5	1.6	17	21.2	25.2	2.8
IV	49	26.0	80.3	3.3	1	36.0	0.9	4.7	50	26.1	81.2	3.3
2001 I	40	25.9	81.6	4.2	1	60.0	3.5	2.2	41	27.3	85.1	4.2
II	51	21.9	80.5	3.2	2	36.0	61.0	2.1	53	28.0	141.5	2.7
Entertainment and Hospitality												
1998	10	38.2	9.9	3.5	1	36.0	0.6	1.8	11	38.1	10.5	3.4
1999	14	33.6	13.3	2.6	-	-	-	-	14	33.6	13.3	2.6
2000	6	46.2	7.7	3.1	-	-	-	-	6	46.2	7.7	3.1
2000 III	4	43.2	4.6	2.4	-	-	-	-	4	43.2	4.6	2.4
IV	2	50.5	3.1	4.1	-	-	-	-	2	50.5	3.1	4.1
2001 I	1	36.0	0.6	3.0	-	-	-	-	1	36.0	0.6	3.0
II	2	36.0	5.0	4.3	-	-	-	-	2	36.0	5.0	4.3
Public Administration												
1998	62	28.6	247.8	1.8	-	-	-	-	62	28.6	247.8	1.8
1999	48	28.6	144.3	2.2	1	36.0	0.7	2.3	49	28.6	145.0	2.2
2000	69	25.9	293.1	2.3	1	36.0	5.3	2.4	70	26.1	298.4	2.3
2000 III	15	35.5	23.4	2.6	-	-	-	-	15	35.5	23.4	2.6
IV	16	33.6	37.0	2.4	-	-	-	-	16	33.6	37.0	2.4
2001 I	5	27.9	11.3	3.6	2	35.7	32.9	3.0	7	33.7	44.2	3.1
II	13	33.5	31.8	3.1	2	36.0	2.1	2.4	15	33.7	33.9	3.1

Agmts. - Number of Agreements
Dur. - Average Agreement Duration
Empls. - Number of Employees
Avg. Adj. - Average Annual Adjustment

Table 5
Effective Adjustment in Base Rates, Number of Agreements and Employees Covered,
by Year and Quarter

	1998	1999	2000	2000 - 2001			
				3	4	1	2
All Industries							
Wage Adjustment (%)	1.7	2.2	2.5	2.3	2.9	3.5	2.9
Number of Agreements	403	375	395	61	96	76	136
Number of Employees (000's)	920.5	821.1	1,073.6	137.4	158.5	176.1	278.7
Private Sector							
Wage Adjustment (%)	1.8	2.7	2.3	1.9	2.2	2.4	2.9
Number of Agreements	182	158	100	21	21	21	58
Number of Employees (000's)	274.2	314.7	160.1	60.5	28.5	35.5	87.1
Public Sector							
Wage Adjustment (%)	1.6	1.9	2.5	2.6	3.1	3.7	2.8
Number of Agreements	221	217	295	40	75	55	78
Number of Employees (000's)	646.3	506.4	913.4	76.9	130.0	140.7	191.6
Federal Administration							
Wage Adjustment (%)	2.2	2.9	2.1	2.2	2.4	4.0	3.4
Number of Agreements	16	10	18	2	3	2	5
Number of Employees (000's)	124.2	53.2	154.8	2.1	13.3	7.6	21.3
Federal Crown Corporations							
Wage Adjustment (%)	2.2	2.3	2.2	-	-	-	3.0
Number of Agreements	7	6	3	-	-	-	3
Number of Employees (000's)	8.3	19.8	46.6	-	-	-	5.4
Provincial Administration							
Wage Adjustment (%)	1.7	1.6	2.5	2.3	2.7	2.9	2.9
Number of Agreements	30	21	37	11	6	4	9
Number of Employees (000's)	112.2	73.9	114.4	30.7	11.1	36.8	15.0
Local Administration							
Wage Adjustment (%)	1.5	2.3	2.5	2.6	2.6	2.7	2.9
Number of Agreements	32	34	33	6	13	4	5
Number of Employees (000's)	48.3	44.2	69.0	5.8	19.9	5.0	4.8
Education, Health and Welfare							
Wage Adjustment (%)	1.4	1.8	2.6	2.8	3.3	4.2	2.7
Number of Agreements	134	136	193	17	51	39	54
Number of Employees (000's)	351.3	292.0	497.0	25.2	82.3	80.7	142.0
Public Utilities							
Wage Adjustment (%)	1.4	2.1	3.4	3.2	2.8	3.2	2.4
Number of Agreements	2	10	11	4	2	6	2
Number of Employees (000's)	2.1	23.3	31.5	13.1	3.3	10.6	3.1

Table 6
Selected Economic Indicators,
by Year and Quarter

	1998	1999	2000	2000 - 2001			
				3	4	1	2
Wage Settlements (%)	1.7	2.2	2.5	2.3	2.9	3.5	2.9
Public Sector (%)	1.6	1.9	2.5	2.6	3.1	3.7	2.8
Private Sector (%)	1.8	2.7	2.3	1.9	2.2	2.4	2.9
Agreements in Force (%)	1.7	1.9	2.2	2.3	2.4	2.4	2.7
Public Sector (%)	1.4	1.7	2.1	2.2	2.3	2.3	2.6
Private Sector (%)	2.3	2.1	2.4	2.5	2.5	2.5	2.7
Consumer Price Index Per Cent Change ¹	0.9	1.7	2.7	2.7	3.1	2.8	3.6
GDP ² at Factor Cost ³ Per Cent Change ¹	3.1	4.3	4.5	4.1	3.8	2.5	1.8
Labour Productivity Growth (%)	0.7	2.2	1.8	1.3	1.2	0.8	0.6
Unit Labour Cost (%)	1.4	0.8	2.3	1.8	2.7	3.2	1.7
Unemployment Rate ³ (%)	8.3	7.6	6.8	6.9	6.9	7.0	7.0
Employment (000's) ³	14,140	14,531	14,910	14,918	15,028	15,062	15,101
Per Cent Change ¹	2.7	2.8	2.6	2.3	2.3	1.6	1.4
Average Weekly Earnings ³ Per Cent Change ¹	\$ 632.09 1.4	\$ 638.83 1.1	\$ 653.49 2.3	\$ 656.37 2.2	\$ 657.81 2.5	\$ 660.78 2.0	\$ 660.44 1.1
Average Hourly Earnings Per Cent Change ¹	\$ 15.81 1.5	\$ 16.07 1.6	\$ 16.52 2.8	\$ 16.45 2.9	\$ 16.47 1.5	\$ 16.51 0.2	\$ 16.69 0.8

¹ Per cent change from the same period of the previous year

² GDP – Gross domestic product at factor cost (1992) prices

³ Seasonally adjusted data

TECHNICAL NOTES

The information in this report is produced from collective agreement settlements in Canada which cover 500 or more employees in all industries. A few settlements are excluded where the basis of payment is on a piece/mileage rate basis.

The construction industry is excluded prior to 1983.

The Base Rate

The base rate is the lowest paid classification used for qualified workers in the bargaining unit. In most instances, the base rate is the rate of pay for an unskilled or semi-skilled classification of workers. However, this is not the case in contracts covering only skilled workers and professional employees.

As only the base rate in a contract is used, the resulting data on percentage change do not necessarily reflect the average wage change for all workers in the bargaining unit. For example, where an across-the-board increase is negotiated for all classifications in cents per hour (or other money terms), measurement on the base rate produces higher results than measurement on any higher rate, including the average rate. Where varying percentage or money increases are negotiated for different classifications, measurement on the base rate may produce results that are higher or lower than measurement on the average rate. Where an across-the-board increase is negotiated for all classifications in percentage terms, measurement on the base rate produces results identical to measurement on any other rate, including the average rate. It should be noted that information on the average rate for all employees in a bargaining unit is not available.

Effective Wage Increase

The effective wage increase is the increase in rates of pay including estimated **cost-of-living allowance (COLA)** payments. Estimates of the yield of COLA clauses are obtained by quantifying the characteristics of these clauses in each agreement and applying a combination of actual Consumer Price Index (CPI) increases available to date plus a specified projected inflation rate for the remainder of the contract duration.

In succeeding quarters, these estimates are revised using actual CPI values as they become available.

In the current report, an **inflation projection of 2.0 per cent** has been used when the actual rate is unknown. This figure is based on a rounded average of inflation forecasts and is intended for illustrative purposes only and does not constitute an official forecast by Human Resources Development Canada. The use of different inflation rate scenarios could result in varying settlement increases. The inflation projection used will be revised periodically to reflect prevailing economic conditions.

By including reasonable estimates of future payments under COLA clauses, the effective wage increase concept facilitates an accurate comparison of agreements with and without COLA and permits the aggregation of all agreements to yield an improved measure of wage settlements.

Public and Private Sectors

The principal unit of observation is the collective bargaining unit; however, the designation for inclusion in the public sector is by reference to characteristics of the employer with whom a bargaining unit negotiates. Reference to the employer characteristics makes the directives consistent with Statistics Canada's use of "institutional units" or "entities".

While the criteria relate to the classification of the public sector only, *the private sector is defined by exclusion.*

Public sector bargaining units negotiate wages or other working conditions with an employer who is part of, or an agent of, a government or a government business enterprise. The distinction between the two is whether the activity engaged in is "non-commercial" (Government) or "commercial" (Government Business Enterprise).

Government (Non-Commercial)

The government component comprises all non-commercial entities controlled by governments and mainly financed out of general taxation or other public

funds. These entities provide goods and/or services free or at non-market prices (not having a view to profit).

Sub-sectors of the government component are identified below:

(1) Federal Government

Collective bargaining in the federal government component is conducted under the *Public Service Staff Relations Act* (Parts 1 and 2), and the *Parliamentary Employment and Staff Relations Act*.

(2) Provincial and territorial governments

- (a) provincial and territorial government administration;
- (b) health, education and social services agencies or institutions:
 - (i) public hospitals,
 - (ii) provincial residential care facilities,
 - (iii) universities,
 - (iv) colleges, vocational and trade institutions,
 - (v) social services business enterprise,
 - (vi) provincial elementary and secondary schools.

(3) Local Government Administration

- (a) local government organizations such as: municipalities, boards, commissions;
- (b) school boards;
- (c) social services: establishments at the local level primarily engaged in providing basic domiciliary care only, such as homes for the aged, blind or senile, boarding houses for the aged, day nurseries, shelters, etc.

Government Business Enterprise (Commercial)

The commercial component of the public sector is divided into three broad sub-groupings, based on degree

of governmental control, as follows:

(1) Direct Control

A commercial enterprise is directly controlled by a government if one of the following conditions is met:

- (a) a government holds more than 50 per cent of its voting equity, directly;
- (b) a government has irrevocable options or the right to acquire shares, or convertible debt or equity, exercisable at the discretion of that government.

(2) Effective Control

A commercial enterprise is effectively controlled by a government if one of the following conditions is met:

- (a) the government holds a significant voting ownership in a public enterprise, where "significant" is understood as:
 - (i) the holding is the largest block of voting equity; and
 - (ii) the holding exceeds 33.3 per cent of the voting equity; and
 - (iii) the block is larger than the combined percentage of the next two largest blocks;
- (b) the commercial enterprise declares that it is effectively controlled by a government;
- (c) there exists a method or variety of methods (e.g., significant voting ownership of the enterprise, technological agreements, supply controls or contracts, management contracts, interlocking directorships, etc.)

(3) Indirect Control

A business enterprise is indirectly controlled by a government if that government directly or effectively controls a government business enterprise, which in turn directly or effectively controls that enterprise.

OVERVIEW OF THE CHANGES IN THE ANALYSIS OF PROVISIONS IN COLLECTIVE AGREEMENTS

Tania Plante
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Introduction

The Workplace Information Directorate has been tracking, analyzing and disseminating information pertaining to industrial relations and collective bargaining for many decades. Over the last year, the Directorate has made important changes to its information and products in order to provide up-to-date information including recent trends. Since January 2000, information has been available on small bargaining units (100 to 499 employees) on a stratified sample basis, as well as those covering 500 employees or more. This reflects the new economic reality of an increasing proportion of smaller bargaining units. Furthermore, in an effort to improve client services and broaden the availability of its information, the Directorate has made all collective agreements and settlement summaries accessible via an Internet database, called *Negotech*, that enables customized research.

The Directorate also decided to modify its analysis of collective agreements in order to keep abreast of new trends in bargaining and to reflect the changing workplace. The purpose of this article is to set forth a general overview of new provisions being analyzed. Although this article does not identify all the changes that were implemented, it does set out the major elements. These are grouped in five categories: Rights of Parties, Labour Relations, Working Conditions, Benefits and Pension Plans, and Work-Life Balance.

Rights of Parties

In recent years, there has been a growing interest in issues surrounding human rights, respect for individual rights and the right to privacy. Included in the analysis of collective agreements, therefore, are provisions related to the protection of employee rights, such as protection from harassment, help for victims and employment equity programs. Also outlined are provisions related to employers' rights, such as the

right to test for drug and alcohol abuse and the right to administer lie detector tests, electronic surveillance, Internet and telephone monitoring and medical examinations. Developments in this regard – especially the latitude afforded to both employers and unions under the *Privacy Act* – will certainly be noteworthy.

In light of today's constantly changing workplace, where "doing more with less" is often required, the Directorate has expanded its analysis of provisions related to contracting-out. Particular emphasis is put on restrictions such as advance union notification, a stipulation for no lay-off or reduction in the number of hours worked, etc.

Labour Relations

Over the last decade, labour-management cooperation has become more important within organizations. While in the past it was often linked to the organization's survival, today the driving force behind cooperation between the parties has evolved to encompass not only the organization's productivity but also employee wellness. A number of provisions have been added to document new trends in labour relations and to better analyze the content of collective agreements.

For example, it will now be possible to determine the approach used in both interest-based and continuous bargaining situations, two methods that, like labour-management cooperation, are increasingly in use. In keeping with the spirit of cooperation and conflict resolution, the analysis includes two provisions related to the grievance procedure: expedited arbitration and grievance mediation. Also included is a comprehensive section on joint committees with various themes covering contracting-out, labour relations, working conditions, the work environment, technological change, etc. The analysis of enabling and parity clauses will also be possible.

Working Conditions

The analysis now allows for a comparison between white- and blue-collar work schedules and hours. Telework is also featured, which will enable confirmation of its growing incidence and its presence in collective agreements. Furthermore, the job security analysis includes provisions for paid education and training in the event of termination as well as the possibility of leave to look for work, which are certainly noteworthy.

Benefits and Pension Plans

Certain provisions regarding benefits and pension plans have been added in order to follow new trends and to adjust to the content of collective agreements. These include flexible benefit plans, which allow for greater flexibility for both employers and workers. It will also be possible to keep abreast of pension-related initiatives such as progressive retirement and pre-retirement leave and to identify both defined contribution and defined benefit plans.

Also, three provisions related to same-sex spouses that have gained importance in recent years are now featured in our analysis in order to keep pace with recent developments related to the respect for individual rights. These provisions relate to group benefit plans and short- and long-term leave such as maternity, paternity and adoption leave.

Work-Life Balance

While employers have sought higher efficiency and increased productivity, employees have attempted to achieve greater work-life balance. As this issue has many implications and has brought about numerous changes in collective agreements, our analysis is now more comprehensive and reflects current and future provisions in collective agreements. Among these are short-term family-related leave and long-term leave for the care of a parent and for the care and nurturing of a child. Moreover, clauses related to leave, whether paid or unpaid, for personal reasons or in the event of a divorce, as well as self-funded leave, have been added to our analysis. Flexibility in the organization of working time, such as provisions for telework, is also an important feature of this balance.

Conclusion

This article outlines the new analysis available and discusses the trends being introduced. Other additions and modifications will be specified in the near future, emphasizing the need to adjust to a continuously changing workplace.

WORK STOPPAGES – 2001 AND CHRONOLOGICAL PERSPECTIVE

Workplace Information Directorate
Labour Program, Human Resources Development Canada

Major Work Stoppages (500 or more workers)

Summary

There were 28 work stoppages involving 500 and more workers during the second quarter of 2001 in Canada. Three major work stoppages occurred during that period. The first one involving 3,400 workers at the Coast Mountain Bus Company, in British Columbia, represents 228,810 person-days not worked which is approximately 29 per cent of the person-days not

worked. The second involving 13,000 employees of the Toronto District School Board in Ontario, accounts for 215,900 person-days not worked which is approximately 27 per cent of the person-days not worked of this second quarter. During the same period, the strike by 20,000 workers with the Association des constructeurs de routes et grands travaux du Québec accounted for 75,000 person-days not worked, representing 9,0 per cent of the person-days not worked.

Table 1

**Major Work Stoppages by Jurisdiction
Second Quarter 2001**

Jurisdiction	Workers Stoppages Involved	Person-Days Not Worked
Newfoundland	7 17,064	63,460
Prince Edward Island	- -	-
Nova Scotia	3 7,000	10,000
New Brunswick	- -	-
Quebec	5 23,335	158,090
Ontario	8 17,441	246,850
Manitoba	- -	-
Saskatchewan	1 12,000	51,430
Alberta	1 1,950	9,750
British Columbia	2 17,575	242,810
Territories	- -	-
Multiprovince	- -	-
Total Provinces	27 96,365	782,390
Canada Labour Code-Part I	1 500	10,000
Federal Administration	- -	-
Federal Total	1 500	10,000
Total	28 96,865	792,390

Source: Workplace Information Directorate

Table 2

**Major Work Stoppages by Industry
Second Quarter 2001**

Industries	Stoppages	Workers Involved	Person-Days Not Worked
Primary Industries	1	1,310	24,890
Utilities	-	-	-
Construction	2	15,500	79,500
Manufacturing	2	1,640	4,900
Wholesale and Retail Trade	1	825	40,430
Transportation	3	6,025	248,560
Information and Culture	-	-	-
Finance, Real Estate and Management Services	1	4,500	16,070
Education, Health and Social Services	15	59,757	354,510
Entertainment and Hospitality	1	1,700	1,700
Public Administration	2	5,608	21,830
Various Industries	-	-	-
Total	28	96,865	792,390

Source: Workplace Information Directorate

All Work Stoppages (one or more workers)

Table 3

All Work Stoppages by Jurisdiction First Quarter 2001

Cumulative to March 31, 2001

Jurisdiction	Stoppages	Workers Involved	Person-Days Not Worked
Newfoundland	11	17,496	70,010
Prince Edward Island	-	-	-
Nova Scotia	5	7,430	14,250
New Brunswick	3	2,539	8,090
Quebec	40	25,756	238,860
Ontario	49	24,614	415,340
Manitoba	4	478	20,730
Saskatchewan	2	12,055	54,960
Alberta	1	1,950	70,200
British Columbia	15	18,938	285,290
Territories	1	614	900
Multiprovince	-	-	-
Total Provinces	131	111,870	1,178,630
Canada Labour Code-Part I	9	964	25,700
Federal Administration	-	-	-
Federal Total	9	964	25,700
Total	140	112,834	1,204,330

Source: Workplace Information Directorate

Table 4

All Work Stoppages by Industry First Quarter 2001

Cumulative to March 31, 2001

Industries	Stoppages	Workers Involved	Person-Days Not Worked
Primary Industries	8	3,396	102,140
Utilities	1	195	450
Construction	3	15,560	81,300
Manufacturing	32	5,775	152,590
Wholesale and Retail Trade	13	1,374	58,310
Transportation	10	6,415	318,040
Information and Culture	5	540	3,090
Finance, Real Estate and Management Services	9	4,898	26,580
Education, Health and Social Services	42	66,599	417,550
Entertainment and Hospitality	14	2,440	22,160
Public Administration	3	5,642	22,120
Various Industries	-	-	-
Total	140	112,834	1,204,330

Source: Workplace Information Directorate

A weekly listing of major work stoppages in Canada and a full chronological perspective are available on the Workplace Information Directorate Web site at:

<http://labour-travail.hrdc-drhc.gc.ca/doc/wid-dimt/eng>

Table 5

Work Stoppages – A Chronological Perspective

Period	Number beginning year or month	in existence during year or month*			% of Estimated working time
		Total Number	Workers involved	Person-days not worked	
1991	399	463	253,334	2,516,090	0.09
1992	353	404	149,940	2,110,180	0.07
1993	323	381	101,784	1,516,640	0.05
1994	312	374	80,856	1,606,580	0.06
1995	282	328	149,159	1,583,070	0.05
1996	297	330	281,816	3,351,850	0.11
1997	229	284	257,664	3,610,210	0.12
1998	341	381	244,402	2,443,880	0.08
1999	358	413	158,612	2,445,740	0.08
2000	319	377	143,570	1,661,650	0.05
2000					
April	36	93	24,517	153,400	0.06
May	29	93	13,991	114,270	0.04
June	25	97	23,101	141,520	0.05
July	25	80	18,780	135,650	0.05
August	24	79	10,374	106,460	0.04
September	22	76	17,186	115,360	0.04
October	36	87	33,054	194,810	0.07
November	18	77	16,867	203,770	0.07
December	20	77	10,985	115,160	0.04
2001					
January	11	67	7,670	110,810	0.04
February	19	68	8,977	114,170	0.04
March	31	78	16,463	186,960	0.07

* Refers to work stoppages which began during the year or month as well as those carried over from the previous year or month.

Source: Workplace Information Directorate

TECHNICAL NOTES

Data on work stoppages collected by the Workplace Information Directorate of the Labour Program of Human Resources Development Canada covers strikes and lockouts which amount to ten or more person-days lost.

A strike is a concerted work stoppage by a group of employees which is done in order to bring about a change in an employer's position, and it occurs during the negotiating process. A legal strike is one that respects all the conditions mandated by law, most notably that the strike is taking place during negotiations. A strike will be declared illegal if it does not respect the applicable laws. A lockout occurs when work is suspended by the employer or a group of employers in order to pressure employees to change their position, and a lockout must also occur during the negotiating process.

Developments leading to work stoppages are sometimes too complex to make it practicable to distinguish between strikes on the one hand and lockouts on the other.

The major characteristics of work stoppages on which information is gathered are:

Employer – Firm or firms employing the workers reported on strike or locked out.

Location – Location of the plant or premises at which the work stoppage occurred.

Industry – Industry of employer according to the North American Industry Classification System (1997).

Union – The workers' organization(s) directly involved or concerned in the dispute that led to work stoppage.

Workers Involved – The total number, or approximate total number, of workers reported on strike or locked out, whether or not they all belonged to the union directly involved in the dispute that led to work stoppage. Where the number of workers involved varied in the course of the stoppage, the maximum number is used in tabulating annual or other totals. (Where a stoppage commenced in a previous year, the maximum number during the whole stoppage is the number used). Monthly totals are similarly based

on the highest figures but allowance is made for changes reported in stoppages extending over two or more months. The total number of workers shown may include the same workers more than once if they are involved in more than one work stoppage during the year (or other reference period). Workers indirectly affected, such as those laid off as a result of a work stoppage, are not included in the data on workers involved.

Starting Date – The day on which the work stoppage began.

Termination Date – For work stoppages that are terminated by mutual agreement, the termination date is the day on which work was resumed. Where normal operations could not be resumed shortly after the employees agreed to return, the day on which they were available for work is regarded as the termination date. Some work stoppages are never formally settled, and this presents statistical difficulties. In such a case, the stoppage is usually considered terminated for statistical purposes, at the date by which it was established that two-thirds or more of the workers involved had either returned to work, or had found work with other employers; or the date by which it was reported that the operations affected by the work stoppage would not be resumed.

Duration – The duration of each stoppage is calculated in terms of working days, including the starting date and all subsequent normal working days up to the termination date. The days counted as working days are those on which the establishment involved would normally be in operation (five days per week).

Duration in Person-Days – Duration in working days multiplied by the number of workers involved. For work stoppages involving establishments in which the number of weekly working days (see Duration above) exceeds the work week of individual employees, the duration in person-days is adjusted by the appropriate ratio. Variations in the number of workers involved in the course of a stoppage are also taken into account in the calculation as far as practicable. The data on duration of work stoppages in person-days are provided to facilitate comparisons of work stoppages in terms of a common denominator; they are not intended as a measure of the loss of production time to the economy.

The expression "Time loss" is occasionally used instead of "duration in person-days". The term most commonly used is person-days not worked due to the duration in person-days of all work stoppages in a year is also shown as a percentage of estimated working time based on estimates of the number of non-agricultural paid workers in Canada obtained from the Labour Force Survey of Statistics Canada.

Jurisdiction – Statistics on work stoppages are also classified according to jurisdiction. This is done on the basis of the government and those businesses

covered by Part 1 of the *Canadian Labour Code* whose industrial relations statistics are applicable to the establishment involved in the dispute. (The tabulation of statistics on work stoppages by jurisdiction corresponds to a tabulation by province, except where the Federal jurisdiction is involved.)

The data reflect all work stoppages that have come to the notice of Workplace Information Directorate, and meet the criteria defined above, e.g., minimum person-days. The methods used to secure this information are believed to be adequate to preclude the possibility of major omissions.

UNION MEMBERSHIP IN CANADA – 2001

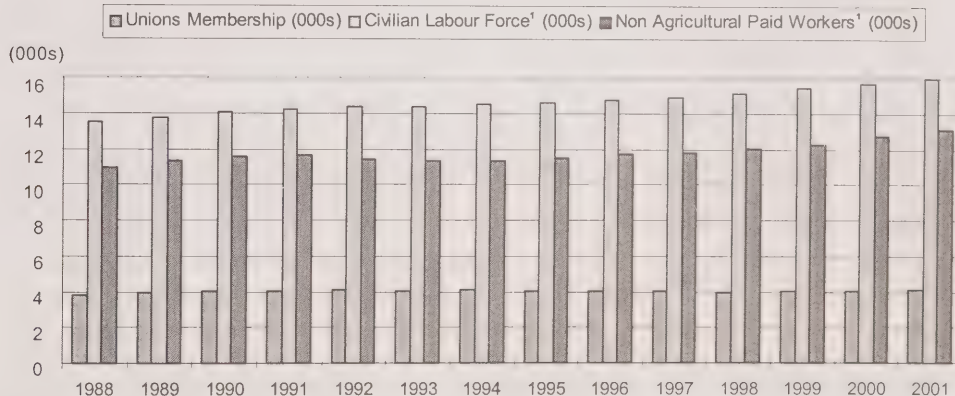
Workplace Information Directorate
Labour Program, Human Resources Development Canada

Preliminary data from a survey of labour organizations in Canada with units of 50 or more members show that union membership in January 2001, stood at 4,110,450. This figure represents an increase of 52,600 members compared to 2000, namely 4,057,850 members (see graph and table 1). However, over the year, non-agricultural paid employment rose more rapidly by 439,000. Consequently, the unionization rate or union density (union membership as a percentage of non-agricultural paid employment) continued its decline to 31.3 per cent (from 31.9 per cent in 2000).

The affiliated membership of the Canadian Labour Congress increased by 170,170 from 2,814,580 in 2000 to 2,984,750 in 2001 (in comparison to the union membership increase of 52,600). As a result, the Canada Labour Congress' share of total union membership rose from 69.4 per cent in 2000, to 72.6 per cent in 2001.

Between 2000 and 2001, the unaffiliated national unions declined from 15.2 per cent to 12.1 per cent.

**Union Membership, Civilian Labour Force and the Non-Agricultural Paid Workers
1988-2001**



¹ Statistics Canada, The Labour Force Survey, Cat. No. 71E 0004 X CB

Source: Workplace Information Directorate

Table 1

Union Membership in Canada, 1988-2001
Established with New Series of Labour Force
and Non-Agricultural Paid Workers

<u>Year</u>	<u>Union Membership (000s)</u>	<u>Civilian Labour Force¹ (000s)</u>	<u>Non-Agricultural Paid Workers¹ (000s)</u>	<u>Union Membership as a Percentage of Civilian Labour Force</u>	<u>Union Membership as a Percentage of Non-Agricultural Paid Workers</u>
1988	3,841	13,512	10,963	28.4	35.0
1989	3,944	13,779	11,340	28.6	34.8
1990	4,031	14,047	11,598	28.7	34.8
1991	4,068	14,241	11,679	28.6	34.8
1992	4,089	14,330	11,414	28.5	35.8
1993	4,071	14,362	11,303	28.3	36.0
1994	4,078	14,505	11,310	28.1	36.1
1995	4,003	14,627	11,526	27.4	34.7
1996	4,033	14,750	11,764	27.3	34.3
1997	4,074	14,900	11,802	27.3	34.5
1998	3,938	15,153	12,031	26.0	32.7
1999	4,010	15,418	12,295	26.0	32.6
2000	4,058	15,721	12,707	25.8	31.9
2001	4,111	15,999	13,146	25.7	31.3

Note: Labour Force and non-agricultural paid employment data shown for each year are annual averages of the preceding year; data shown for union membership are as of January of the years shown and as reported by labour organizations.

¹ Statistics Canada, The Labour Force Survey, Cat. No. 71E 0004 X CB

Table 2

Unions with Largest Membership, 2000-2001

	Membership (000s)	
	2000	2001
Canadian Union of Public Employees (CLC)	485.0	505.0
National Union of Public and General Employees (CLC)	325.0	325.0
National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW-CANADA) (CLC)	210.4	220.0
United Food and Commercial Workers International Union (AFL-CIO/CLC)	220.0	220.0
United Steelworkers of America (AFL-CIO/CLC)	190.0	190.0
Communications, Energy and Paperworkers Union of Canada (CLC)	144.3	149.0
Public Service Alliance of Canada (CLC)	146.6	148.7
International Brotherhood of Teamsters (AFL-CIO/CLC)	100.2	102.0
Fédération de la santé et des services sociaux (CSN)	97.0	100.2
Service Employees International Union (AFL-CIO/CLC)	90.0	85.0
Centrale des syndicats du Québec (CSQ)	80.9	80.1
Laborers' International Union of North America (AFL-CIO/CLC)	60.0	65.0
United Brotherhood of Carpenters and Joiners of America (AFL-CIO/CLC)	56.0	56.0
International Brotherhood of Electrical Workers (AFL-CIO/CLC)	59.6	55.0
Ontario Secondary School Teachers' Federation (CLC)	51.4	54.0
Elementary Teachers' Federation of Ontario (CLC)	52.4	50.4
Syndicat de la fonction publique du Québec (Ind.)	38.8	46.8
British Columbia Teachers' Federation (Ind.)	44.0	46.1
Canadian Union of Postal Workers (CLC)	54.8	46.0
International Association of Machinists and Aerospace Workers (AFL-CIO/CLC)	45.0	45.6
Industrial Wood and Allied Workers of Canada (CLC)	40.4	45.0
Ontario Nurses' Association (CLC)	45.0	45.0
Fédération des infirmières et infirmiers du Québec (Ind.)	47.5	44.1
Fédération des employées et employés de services publics inc. (CSN)	36.5	40.0
United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada (AFL-CIO/CLC)	37.4	39.6
International Union of Operating Engineers (AFL-CIO/CLC)	40.0	36.0
Fédération du commerce inc. (CSN)	34.0	35.0
Ontario English Catholic Teachers' Association (CLC)	30.0	33.0
Professional Institute of the Public Service of Canada (Ind.)	36.0	32.5
Alberta Teachers' Association (Ind.)	35.0	32.2
Hotel Employees and Restaurant Employees International Union (AFL-CIO/CLC)	34.7	30.0
Office and Professional Employees International Union (AFL-CIO/CLC)	30.0	30.0

Source: Workplace Information Directorate

Table 3**Union Membership by Congress Affiliation, 2000-2001**

Congress Affiliation	2000		2001	
	Membership	%	Membership	%
CLC	2,814,580	69.4	2,984,750	72.6
(AFL-CIO/CLC)	1,059,680	26.1	1,168,840	28.4
CLC only	1,754,900	43.2	1,815,910	44.2
CSN	250,040	6.2	260,450	6.3
AFL-CIO only	28,110	0.7	27,730	0.7
CSQ*	114,920	2.8	114,690	2.8
CSD	72,400	1.8	72,680	1.8
CCU	12,830	0.3	9,840	0.2
Unaffiliated International Unions	380	0.0	380	0.0
Unaffiliated National Unions	616,380	15.2	496,750	12.1
Independent Local Organizations	148,210	3.7	143,180	3.5
Total	4,057,850	100.0	4,110,450	100.0

Note: Due to rounding sums may not always equal totals.

* CEQ (Centrale de l'enseignement du Québec) has changed its name in June 2000 to become CSQ (Centrale des syndicats du Québec)

Source: Workplace Information Directorate

Table 4

National and International Composition of Unions, 2000-2001

Type of Union	2000		2001	
	Number	%	Number	%
	Unions			
National	224	22.2	219	22.2
International	47	4.7	47	4.8
Other*	737	73.1	720	73.0
Total	1,008	100.0	986	100.0
	Membership (000s)			
National	2,651	65.3	2,694	65.5
International	1,198	29.5	1,212	29.5
Other*	209	5.2	204	5.0
Total	4,058	100.0	4,110	100.0

Note: Due to rounding, sums may not always equal totals.

* Includes directly chartered unions and independent local organizations (see Table 6).

Source: *Workplace Information Directorate*

Table 5

International and National Unions by Size, 2000-2001

Membership Range	International Unions		National Unions		Total	
	2000	2001	2000	2001	2000	2001
Under 999 1,000 - 9,999 10,000 - 29,999 30,000 - 49,999 50,000 - 99,999 100,000 and over	Unions					
	7	7	81	79	88	86
	16	15	99	97	115	112
	12	13	23	22	35	35
	5	5	11	12	16	17
	4	4	6	4	10	8
	3	3	5	6	8	9
Total	47	47	225	220	272	267
Under 999 1,000 - 9,999 10,000 - 29,999 30,000 - 49,999 50,000 - 99,999 100,000 and over	Membership (000s)					
	1	1	33	35	35	36
	58	58	332	336	390	394
	185	199	355	359	541	558
	187	181	424	483	611	664
	266	261	401	249	667	510
	501	512	1,107	1,234	1,607	1,746
Total	1,198	1,212	2,653	2,695	3,850	3,908

Note: Due to rounding, sums may not always equal totals.

Source: Workplace Information Directorate

Table 6

Union Membership by Type of Union and Affiliation, 2001

Type and Affiliation	Unions	Locals	Membership	
			Number	%
International Unions	47	2,339	1,197,620	29.5
(AFL-CIO/CLC)	37	3,162	1,168,840	28.4
CLC only	3	33	15,470	0.4
AFL-CIO only	4	65	27,730	0.7
Unaffiliated Unions	3	13	380	0.0
National Unions	219	13,365	2,694,350	65.5
CLC	62	7,541	1,799,940	43.8
CSN	9	2,469	260,450	6.3
CEQ	15	375	114,690	2.8
CCU	7	27	9,840	0.2
CSD	2	94	12,680	0.3
Unaffiliated Unions	124	2,859	496,750	12.1
Directly Chartered Unions	413	-	60,500	1.5
CSD	402	-	60,000	1.5
CLC	11	-	500	0.0
Independent Local Organizations	307	-	143,180	3.5
Total	986	16,638	4,110,450	100.0

Note: Due to rounding, sums may not always equal totals.

Source: Workplace Information Directorate

Table 7

CLC Membership by Affiliation, 2000-2001

Type and Affiliation	2000		2001	
	Membership	%	Membership	%
International Unions	1,169,130	41.5	1,184,310	39.7
(AFL-CIO/CLC)	1,059,680	37.6	1,168,840	39.2
CLC only	109,450	3.9	15,470	0.5
National Unions	1,645,450	58.5	1,800,440	60.3
CLC only	1,644,650	58.4	1,799,940	60.3
Directly Chartered Local Unions	800	0.0	500	0.0
Total	2,814,580	100.0	2,984,750	100.0

Note: Due to rounding, sums may not always equal totals.

Source: Workplace Information Directorate

1 — Structure and Affiliation Changes to International and National Unions

The Independent Canadian Transit Union has joined National Automobile, Aerospace, Transportation and General Workers Union (CAW-CANADA) in Fall 2000.

The Fraternité nationale des poseurs d'acier d'armature has joined International Association of Bridge, Structural, Ornamental and Reinforcing Iron Workers in Spring 2000.

The Association nationale des travailleurs en tuyauterie et calorifugeurs has joined United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada in August 2000.

International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers has joined National Automobile, Aerospace, Transportation and General Workers Union of Canada (CAW-CANADA) in November 2000.

Source: Workplace Information Directorate

2 — Name Changes Old Name / New Name

Aircraft Operations Group Association / Canadian Federal Pilots Association (January 2001).

Union nationale des poseurs de systèmes intérieurs, de revêtements souples et travailleurs d'usine / Fraternité nationale des poseurs de systèmes intérieurs, revêtements souples et parqueteurs sableurs (September 2000).

ACTRA Performers Guild / ACTRA National (June 2000).

3 — New Unions in Part 1

Canadian Association of Operational Support Specialists (Ind.).

Group Association of First Air Employees (Ind.).

INNOVATIVE WORKPLACE PRACTICES

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This overview of innovative or special interest provisions is derived from a summary of 95 collective agreements that settled between November 2000 and May 2001. Of this number, 48 include provisions deemed innovative or of particular interest.

Duration

As noted in recent settlements, a majority of the collective agreements signed during this selected period had a contract duration of 36 months or less (88 per cent of agreements reported). Three agreements had a duration of 60 months: Emergency Health Services Commission, province-wide, British Columbia and Canadian Union of Public Employees with an expiry date of March 31, 2005; Fletcher's Fine Foods Limited, Vancouver, British Columbia and United Food and Commercial Workers, expiring May 31, 2005; and Crompton Company, Elmira, Ontario and United Steelworkers of America with an expiry date of May 31, 2006.

Compensation

Hydro One Inc., province-wide, Ontario and British Columbia Assessment Authority, province-wide, British Columbia, both negotiating with the Canadian Union of Public Employees, have a **gain-sharing plan** which relates to operational performance. The plan with Hydro One provides a potential of 4.0 per cent of base payroll and is based on corporate performance criteria, targets and lines of business initiatives, each with productivity, safety and customer service targets. The Assessment Authority plan states that the bargaining units' share of any savings realized through improved efficiency will be one-half of any gain in the percentage increase in productivity to a maximum of 3.0 per cent of wages earned in any year. A joint committee has been established to identify improvements in processes and work practices, enhancements in the delivery of services to the public and innovations and improved efficiencies throughout the organization. Canada Post continues a **team incentive plan** with the Association

of Postal Officials of Canada whereby employees, whose performance contributes to attaining targets to the long-term goals of the Corporation, could receive an annual maximum incentive potential of 4.0 per cent of base salary. The targets include financial performance, service performance and customer satisfaction. Also, an **individual incentive plan** could provide up to 4.5 per cent of an employee's base salary. The criteria for the level of payment is based on a comparison of the employee's actual performance against goals that the employee had set that year. The goals are based upon corporate key indicators.

Wage comparability was noted in three health sector reports. The Health Employers Association of British Columbia, Community Sub-Sector, and the British Columbia Hospital Employees Union have established a fund whereby the Association will contribute 3.0 per cent of straight time wages annually designed to achieve comparability between the wage and benefit provisions of the Facilities collective agreement. The distribution of the fund will be negotiated by the parties in each year of the agreement. The Provincial Health Authorities of Alberta and Canadian Union of Public Employees negotiated a wage provision for auxiliary nurses that provides adjustments in the first year sufficient to match wage rates in effect under the Multi-Employer and Alberta Union of Provincial Employees (AUPE) collective agreement. Settlement terms continue to include a **"me-too" clause** which stipulates that if the AUPE negotiations should provide an adjustment higher than the 4.0 percent and 3.5 per cent received in the second and third years by the auxiliary nurses, then they will receive the additional difference between the higher increases. All other employees received a first-year wage adjustment comprised of a general adjustment, an equity adjustment and a market rate adjustment. The Calgary Regional Health Authority, Acute-Care Sector, and the Canadian Union of Public Employees introduced a **wage parity** clause where all classifications will receive wage increases sufficient to match rates of pay covering similar employees employed at the University of Alberta Hospital in

Edmonton. Where no occupational match is found, a 4.0 per cent across the board increase will be applied to rates; where matching the rates does not correspond to a minimum increase of 4.0 per cent, a lump-sum payment of the difference will be paid.

Both the Statistical Survey Operations, Canada-wide, with the Public Service Alliance of Canada and Continuing Care Employers' Bargaining Association, Long-Term Care Facilities, various locations in Alberta, with the United Nurses of Alberta provide an **additional increment** to the maximum levels of the salary grid. The Alberta Treasury Branch, province-wide, and the Alberta Union of Provincial Employees added a 1.0 per cent increment in each year on the employee's anniversary. Employees whose salary goes beyond the maximum level will not receive the increment.

Overland Express, province-wide, Ontario and the International Brotherhood of Teamsters have eliminated a **two-tier wage** structure with lower rates for employees hired after September 12, 1993, and have introduced probationary rates. Effective in March 2002, new employees will be paid \$2.00 less than full hourly rate for their first 12 months and \$1.00 less for their second 12 months.

Fourteen settlements received either a **lump-sum payment** or a **signing bonus**. The lump-sum payments ranged from \$100 deposited to a Registered Retirement Savings Plan at La-Z-Boy Canada in Waterloo, Ontario to \$1,000 at Atlas Specialty Steels in Welland, Ontario. Signing bonuses ranged from \$250 at Dominion Castings in Hamilton, Ontario, to an amount equal to 2.0 per cent of regular salary paid in calendar year 2000 for employees at Canadian Press and Broadcast News Limited in Toronto, Ontario.

Working Conditions

The University College of the Fraser Valley Board in Abbotsford, British Columbia, and the Faculty and Staff Association have introduced **flexible benefits** whereby a **health spending account** will be established for each employee to be funded according to the differences between higher and lower cost options selected by the employee. A letter of understanding between the Health Employers Association of British Columbia, Faculties Sub-Sector, province-wide, and the British Columbia Hospital Employees Union and various construction unions, establishes a goal of eliminating all unsafe manual lifts of patients/residents through the use of mechanical equipment, except where the use of mechanical lifting equipment would

be a risk to the patients. The parties will work in partnership with the Workers' Compensation Board, the Ministry of Health and other parties to establish a financing framework to make funds available to purchase the necessary mechanical equipment.

Job Security

The Ottawa-Carleton District School Board and the Elementary Teachers' Federation of Ontario have agreed upon a provision on **job sharing**. Two teachers, both having completed a minimum of two years service with the Board and neither of them having been declared redundant, may choose to share a single teaching position for up to a maximum of five years. GO Transit, Toronto, Ontario, and the Amalgamated Transit Union have negotiated a provision where should there be a **sale or transfer of bargaining unit jobs**, the employer will make reasonable effort to ensure employees laid off or terminated by the sale or transfer are offered positions with the new employer. The offers will be based on seniority. The Canadian Broadcasting Corporation, French Services Division, province-wide, Quebec, and Moncton, New Brunswick, and the Canadian Union of Public Employees have provided a letter of understanding that recommends certain rules to consider in the event that the employer decides to **outsource** part or all of its national activities such as transmitters, engineering, building management or information technology. Fletcher's Fine Foods Limited, Vancouver, British Columbia, and the United Food and Commercial Workers International Union have introduced a **voluntary buyout** plan to encourage voluntary attrition. If enough employees do not accept the buyout, the bargaining unit will be reduced through a mandatory buyout process in reverse order of seniority.

Training

While on approved training **during layoff**, the settlement between Prudential Steel Limited in Calgary, Alberta, and the United Steelworkers of America, provides for an employee to be eligible for \$450 per week during the first two-week Employment Insurance waiting period, then \$100 per week for the rest of the training course, less the amount of any wage or remuneration earned in such week. GO Transit in Toronto, Ontario, and the Amalgamated Transit Union ensures that employees on mandatory training with new equipment, software, hardware or other new devices will receive their **regular rate of pay** for the entire training period.

Labour-Management Committees

Of the 48 reports with innovative provisions, close to half (23) contained provisions for establishing joint committees. Thus, the implementation of committees is still a popular method of addressing joint concerns for new practices or addressing specific issues. The committees can consist of a wide variety of issues as shown below.

The Government of British Columbia and the British Columbia Government and Service Employee's Union have established a joint committee to examine **expedited arbitration** practices and procedures with a pilot project to develop and implement an **alternate method to resolve grievances** filed at arbitration. The Crompton Company in Elmira, Ontario, and the United Steelworkers of America have incorporated a committee to review the **return to work of disabled employees** on modified work schedules while the Windsor Casino in Windsor, Ontario, and the Canadian Auto Workers are addressing all **equity issues**

including a diverse workforce, discrimination and harassment topics. Ford Electronics Manufacturing Corporation in Markham, Ontario, and the International Association of Machinists and Aerospace Workers initiated a joint committee with the employer's commitment to exercise best efforts and business contacts to attempt to find jobs for all **employees wishing to be re-employed**. The employer will fund up to \$250,000 for the committee's use. The City of Calgary and the Amalgamated Transit Union have established a unique committee to address potential areas of **union-management concerns** on operational matters, including shift scheduling, and to ensure satisfactory customer service.

A number of other agreements include a clause to discuss such issues as: recruitment and retention of employees, staffing requirements, job skills and evaluations, benefit plan review and cost containment, and safety, health and environment topics.

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LABOUR AND BUSINESS PERSPECTIVES ON CANADA'S SKILLS CHALLENGES

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Background and Context

In a national survey of private and public sector labour and management leaders conducted by the Canadian Labour and Business Centre in early 2000 (Viewpoints 2000), leaders ranked "skills shortages" among their top 10 concerns.

Competition for skilled workers is fierce and is becoming increasingly international in scope. This is one of the most serious challenges facing Canadian management and labour—the people who work in the companies and organizations that generate income, employment, and social and economic well-being for all Canadians. For this reason, the Canadian Labour and Business Centre initiated in-depth consultations with the labour and business constituencies focused on the skills challenges facing Canada.

The principal purpose of the consultations was not to further diagnose the issues, but rather to identify approaches to addressing these problems. Specifically, the consultations aimed:

- to identify the aspects of skills shortages issues that are priority concerns to labour and to business;
- to identify solutions and opportunities for action related to these priority concerns, and to identify who should be carrying out these actions;
- to provide public sector policy makers with informed feedback on business and labour views concerning potential measures and policies aimed at addressing skills shortages and related issues; and
- to lay the groundwork for development of next-step action plans by the Board of the Canadian Labour and Business Centre.

Consultative Process

The consultations focused on five broad aspects of the issue identified by the members of the Canadian

Labour and Business Centre Board to be of greatest concern to labour and business:

- demographic issues;
- training, education and human resource development issues;
- education-to-work transition issues;
- trades/technology issues; and
- labour mobility, immigration, and credential recognition issues.

Defining the Issues: Priority Concerns of Labour and Business

Both labour and business respondents expressed a high degree of frustration and scepticism about the practical value of further consultations on skills needs. Respondents conveyed their sense that, over the years, there have been numerous studies, consultations, and policy and program initiatives, "few of which have had any measurable impact on the key problems." On the labour side, the overall sense was that "there has been much rhetoric over the years, but [we] have not seen much evidence of commitment to act", while business evidenced "a clear frustration with Canada's collective inability to deal effectively with the issues." Despite their reservations, however, respondents from both constituencies were willing to engage in the discussions.

Respondents from both constituencies identified the following issues as key factors affecting the current situation. It should be noted that respondents tended to interpret both the causes and the impacts of these issues according to the ongoing concerns of their constituency. It should also be noted that, even within each constituency, there was not universal agreement on the key features of the issues.

Strategic Context: Different Perspectives

Both the labour and the business constituencies have strong views on a number of broad fiscal and other public policy issues. These perspectives are fully described in the summaries of findings from the consultations (available from the Canadian Labour and Business Centre). There are major differences with respect to the role of government.

Business Views

Many business respondents felt that, despite recent changes, Canada's personal income tax rates remain uncompetitive with those in the United States. They said this would have to be addressed as part of an overall effort required to attract and retain the economic leaders who will provide the **innovation and vision** that Canadian business will need to remain internationally competitive. Other aspects of that effort would include providing competitive compensation, excellent working conditions, and leading-edge opportunities.

A number of respondents held that **payroll taxes** increase the cost of hiring and absorb funds that employers might otherwise use to hire or train the employees they need. In particular, business felt that the federal government should reduce Employment Insurance premiums.

Many respondents expressed the view that Employment Insurance benefits are a **disincentive to work** and a disincentive to move to seek work. In particular, they felt that recent changes in Employment Insurance legislation, which removed the penalties for repeat use of the program, actually reversed earlier changes and work to discourage labour mobility.

Labour Views

Labour respondents felt strongly that policies of **restraint, restructuring and downsizing** in the 1990s have contributed to the current skills shortages.

Respondents pointed out that the Canadian Labour Congress and its affiliates have long advocated legislation that would require employers to provide training for their employees, reinforced with a revamped employment insurance system designed to

provide income support and to assist unemployed workers in acquiring **new skills**.

Labour would like to see greater support for the **public education system**, and criticized the trend to purchasing training from private sector companies "often with questionable credentials."

Labour also made the connection between **poor working conditions** and skills shortages.

Shared Views

Respondents appeared to have similar perspectives on a number of issues. This offers cause for optimism that building a collective will to action is in fact possible. Shared perspectives are apparent both within each constituency and between the labour and business constituencies:

- Both constituencies see the **skills challenge as a national priority** that must not be ignored or set aside, even in the face of an economic downturn.
- It is recognized that skills issues are multifaceted and complex.
- Both constituencies see a **shortage of opportunities** as well as a **shortage of skills**.
- The challenge is not limited to the high-tech and information technology sectors. Skilled workers are in short supply in many vital sectors, including the skilled trades. This will negatively affect the overall economic health of the country.
- Respondents consistently pointed to the fragmentation and inconsistency of regulatory and legislative frameworks, at both the national and provincial/territorial levels, as problems to be addressed.
- Concerning strategic directions and approaches, both labour and business put considerable emphasis on the importance of information sharing, dialogue, support for partnerships and exchange of ideas and "best practices".

Finally, both labour and business spoke of the strategic importance of improving the participation of all groups in the labour market, including those who encounter particular barriers, such as Aboriginals and new immigrants.

Demographic Issues

The two constituencies agreed that current and future demographic trends are at the core of the skills shortage situation. Both parties emphasized that, regardless of the current economic downturn (especially in the high-tech sector), demographic realities mean that attention must not be diverted from the need to address what could be a critical shortage of skilled workers (in fact, as more than one respondent noted, a shortage of workers, period) in all sectors of the economy within the next 10 years.

Lower birth rates and fewer new entrants to the labour market, as well as the large size of the "baby boomer" cohort, are resulting in an aging workforce. Large numbers of baby boomers are expected to retire over the next decade.

Training, Education and Human Resource Development Issues

Both business and labour agreed that workforce training and skills development is a critical component of the medium- to long-term solution to the skills shortage problem.

Both sides also agreed on the need for improved access to training, greater flexibility and more responsiveness on the part of education and training institutions to the real-world needs of workers and companies, and on the effectiveness of partnership arrangements, especially sectoral approaches.

Respondents called for improved labour market information to help young people, in particular, make informed career and education choices. This issue was emphasized with respect to the trades and technology/technical fields, which were seen to suffer from a poor image due at least in part to negative (and uninformed) attitudes on the part of parents, teachers and guidance counsellors.

Both parties agreed that workplace (employer-based) training is of vital importance. On the business side, there was strong recognition in many sectors and regions that employers would have to concentrate more on training and retaining their workforce as a whole in order to maintain competitiveness. Both sides emphasized, however, the barriers faced by companies and workers in undertaking training programs.

Business respondents spoke in particular of the costs involved, of scheduling problems and of the lack of responsiveness, or "disconnect", on the part of education and training institutions in identifying a firm's or sector's needs and tailoring a program to meet those needs. Challenges cited by labour respondents included the lack of replacement workers, the fact that trainers often come from educational or management circles, and the emphasis on specific task-related training as opposed to more generic and portable skills development.

Business and labour alike mentioned the practice of "poaching" of skilled workers from one company to another, which can

mean that an employer who makes a training investment is disadvantaged.

Both parties acknowledged the importance of recognition of prior learning. Labour participants noted that the current system does not accord enough of a role to unions and depends too much on the educational institutions.

Training and retraining of laid-off workers was brought up in particular by labour. Over the years, many of the sectoral skills councils have developed cost-effective and innovative programs to assist such people. The federal government had funded these

*Sixty-four percent of tradespeople in the British Columbia pulp and paper industry are 45 years of age or older; only one percent are 30 years of age or younger.**

*According to British Columbia's Industrial Training and Adjustment Commission, there will be no fewer than 700,000 job openings due to retirements in that province by 2010.**

Forty percent of nurses across Canada are 40 years of age or older, and the average age of retirement in this profession is 56.

* Communications, Energy and Paperworkers Union of Canada, Pulp and Paper Workers of Canada, The Skilled Trades Shortage in the Pulp and Paper Industry: A Call to Action, April 2000.

programs, but it has become increasingly difficult for the councils to secure funding, despite their proven track record. A recent example of this occurred when the Canadian Steel Trade and Employment Congress did not win the contract to provide services to laid-off steelworkers in Sydney, Nova Scotia, despite the fact that the union requested that the Congress provide the service. Many other unions or union-based training centres find themselves in similar situations. They now have to compete against community-based agencies for contracts to deliver adjustment programs to their members.

Business and labour differ significantly on a number of training and human resource development issues. Labour's perspectives on education, training and skills/human resource development issues are predicated on the strongly held principle that "every worker is entitled to training". Labour respondents felt that the onus for worker training and education, which in the past was on employers and governments, has shifted to the individuals themselves. Labour respondents stated that they do not believe that asking employers to adopt a voluntary approach to training has proved effective, and therefore the labour movement has for years advocated a system of mandatory training.

There was clear disagreement between business and labour on the Registered Industrial Learning Accounts announced in the last federal budget. Business respondents expressed interest in this initiative. Labour respondents were strongly opposed, seeing the initiative as "continuing the thrust towards making individuals responsible for their own education and skill training rather than a responsibility of society as a whole—the "individualization of risk."

Similar disagreement was apparent on the concept of a direct training levy such as a national version of the Quebec "*Loi du 1 %*", an approach identified as the preferred choice of labour but opposed by business.

Education-to-Work Transition Issues

These issues relate to concerns about the efficiency with which graduates leave the formal education system and enter the labour market. In addition, it was pointed out that the issues are not restricted to school-to-work transition, but are in fact related to opportunities for lifelong learning and training, or school-to-work-to-school transitions, in the plural.

Both sides agreed that these transition issues require attention, although the emphasis was somewhat different between the two constituencies. Labour referred to the need to inform young people about the broader facets of the workplace and working life, including the role of unions and the importance of inter-relationships with co-workers, employers, and government; while business tended to emphasize the importance of curriculum development to enhance work-related skills and the integration of "soft skills" such as communications and teamwork. Respondents claimed that recent graduates often lack these skills, which was identified by both labour and business as a serious problem for all industries and sectors.

Labour and business respondents alike emphasized the importance of creative transition programs, including partnerships involving industry and the education system, co-op programs and programs targeting Aboriginal youth.

Trades/Technologies Issues

Respondents mentioned no other single issue as consistently as they did the poor image of the trades and technology occupations. Both labour and business spoke of the low exposure of students to the trades during their formal education, with little attempt by the school system to instill appreciation of the sophistication and tremendous technical complexity of modern skilled trades.

The demographic reality of the aging workforce in the trades is compounded by a serious image problem: unlike in Europe, where the skilled trades are respected and valued, in Canada many parents and guidance counsellors do not consider the skilled trades as a desirable career choice for young people. In fact, the trades are often seen as a "dead end".

Moreover, teaching of the trades is hindered by a shortage of skilled teachers. In Ontario, for example, only 62 teachers are currently being trained in the trades technologies. This is not enough to meet the needs of the city of Toronto, let alone the province.

Other respondents criticized the lack of an industrial arts component in high school curricula, which would introduce students to the trades, or bemoaned students' lack of exposure to the trades, even in elementary school.

High-Tech and Information Technology Issues

Notwithstanding the importance of the skilled trades and the specific challenges and barriers facing those sectors, business spokespersons from the high-tech and information technology sectors noted that Canada must recognize that it is part of a worldwide labour market for many high-tech skills, and must act aggressively to attract and retain these workers. This raised a number of concerns, including:

- whether the number of university and college graduates in key disciplines is sufficient to meet Canadian requirements;
- whether immigration regulations and procedures can be streamlined to permit Canadian employers to recruit skilled workers internationally; and
- whether Canadian salaries, tax levels, and "quality of life" are sufficiently competitive, especially with those in the United States, to prevent a significant brain drain to that country.

Despite the current slowdown in activity in many of these industries, concerns remain that Canada's ability to produce, attract and retain top talent may heavily influence the country's future economic growth, competitiveness and living standards.

Labour Mobility, Immigration and Credential Recognition Issues

Business and labour pointed out that the ability of workers to move from one region or province to another is hindered by a mix of regulatory and jurisdictional issues. As predicted by both sides, the federal/provincial/territorial Agreement on Internal Trade did not succeed in meeting the July 1, 2001, target for implementation of labour market mobility provisions. Both business and labour voiced scepticism about the extent of the political will and commitment to implement these measures.

In some sectors, particularly construction, a surplus of skilled workers may exist in one province alongside a shortage of people with the right skills in the neighbouring province. Interprovincial differences in certification and standards, despite the Red Seal Program, are a major problem.

For apprentices in the skilled trades, mobility is impeded by the very real difficulties involved in transferring apprenticeships between provinces. When apprentices are laid off in the cyclical construction industry, for example, the perception is that many of them decide to leave the industry.

Both constituencies agreed that immigration, as a solution to shortages of skilled workers, is at best a short-term and partial solution. Moreover, the credentials of foreign workers are often not recognized by Canadian regulatory bodies, and certification processes for these workers are often long and discouraging.

Business respondents in particular, some of them quite strongly, were in favour of increased levels of immigration in certain key occupations. However, traditional (European) sources of skilled immigrants are drying up; and Canada has to compete with many other countries for skilled workers from a decreasing number of source countries. Labour respondents criticized the recent trend to recruit workers, such as nurses, from countries that can ill afford to lose their own skilled labour force.

Finally, immigrants tend to settle in large urban centres, which does not address the skills shortages experienced in smaller, rural or remote parts of the country.

The Capacity to Act Together to Address the Issues

Respondents from both constituencies questioned the ability and political will of governments at the federal and provincial levels to work together to address skills issues in a coherent and consistent way. Participants talked of the growing fragmentation of the training system and the impacts of jurisdictional divisions. There is no consistency in programs, requirements or credentials from one jurisdiction to another. Issues include:

- the impact of provincial apprenticeship jurisdiction on the establishment of apprenticeship standards that would support worker mobility within Canada;
- the impact of provincial professional regulatory bodies on the interprovincial mobility of professional and technical workers and on access to professions and trades;

- provincial governments' growing interest in immigration and its impact on federal immigration policies; and
- the devolution of jurisdiction over training to the provinces, and the potential impact on provincial training resource levels, national standards and sector-focused initiatives such as sector councils. (These issues have been taken to an extreme in Ontario, where no federal-provincial labour market development agreement exists.)

Business respondents pointed out that, from their perspective, other collaborations are also necessary and often difficult. These include:

- collaboration with educational institutions to develop courses and programs that meet industry and workers' needs;
- collaboration with secondary schools or school boards to develop partnerships on individual projects or promote best practices;
- business-labour collaboration to find ways to acquire new skills; and
- collaboration with governments to find ways to streamline individual processes, including immigration.

In this context, some respondents talked of the lack of a shared feeling of urgency around the skills issue; others talked of a lack of leadership, which could encourage individual parties to move beyond short-term agendas or jurisdictional issues to address the larger, common and urgent problem.

Approaches and Measures to Address Canada's Skills Challenge: Suggestions by Labour and Business Respondents

1. Training and Human Resource Development

In the key area of training and human resource development, business and labour have very different perspectives at the national policy level.

Labour respondents did not like the Registered Individual Learning Accounts proposed in the recent Speech from the Throne, and instead stated a preference for a training tax or grant levy system, a national version of Quebec's "*Loi du 1 %*". Business,

on the other hand, was strongly opposed to the concept of a training tax or grant levy system. The potential new initiative most frequently discussed by business respondents was a human resource investment tax credit, although many also expressed interest in the learning accounts approach.

At the workplace level, business and labour appeared to be much closer in their views. On the labour side, it is a long-standing principle that every worker is entitled to training; and on the business side, there is increasing recognition that higher levels of training will be needed to offset difficulties in recruitment. Both constituencies supported sectoral approaches to human resources development issues. As a result, there was general support for renewed and enhanced funding for sector councils, reflecting their strategic position at the interface between education and industry. The point was made by both sides that training levels should not be reduced at the first sign of an economic downturn.

2. Skilled Trades

Both constituencies strongly urged the federal government to implement immediately two specific measures that would assist apprentices: first, institute a tax credit for the purchase of tools by new tradespeople; and second, eliminate the two-week Employment Insurance waiting period for apprentices for classroom training.

Labour and business participants talked of the need for laddering arrangements, which would increase opportunities for students and tradespeople to take apprenticeship programs at community college and then at university. For many, the "dead end" image of the trades was linked to the absence of such arrangements.

Some business respondents favoured a full apprenticeship approach to trades training, in which certification, and the mobility rights that accompanied this, would be granted after completion of a full apprenticeship program that included all aspects of the trade. Others favoured a modular approach to training, in which recognition of completed modules (some of which might be in different trades areas) would produce workers with skill sets more tailored to particular employer needs.

3. Immigration

Both constituencies recognized that, traditionally, immigration has supplied many of Canada's needs for skilled people in a wide range of fields. The supply from many traditional source countries, however, is drying up, at the same time as Canada faces increased competition from other countries in recruiting talented immigrants.

Business spokespersons called for a streamlining of immigration regulations and procedures to permit Canadian employers to recruit key skills internationally. Respondents from the high-tech sector further noted that Canada must recognize that it is part of a worldwide labour market for skilled workers in this sector, and must act aggressively to attract and retain these workers through specific initiatives in critical skills areas.

Labour respondents spoke of the important need to work with new immigrant communities to actively include their members in the labour force.

4. Labour Mobility and Credential Recognition

Several organizations cautioned that the education, skills and experience of many foreign-trained workers are going unused because Canadian regulatory bodies do not recognize them. They said that efforts to remove such accreditation barriers, while protecting professional standards, are an essential step if Canada is to make efficient use of all the skills at its disposal.

Both constituencies urged refinements of prior learning assessment and recognition practices and policies. Labour's emphasis was on a greater role for labour and business; while business saw recognition of prior learning approaches as a valuable tool for identifying the skills foreign-trained workers bring to Canadian employers, a tool that should be used more extensively by employers.

Finally, business respondents, especially, saw a clear case for federal leadership in facilitating the full and immediate implementation of the labour mobility provisions of the Agreement in Internal Trade. Both labour and business called for increased efforts to harmonize trades certification standards to promote full mobility of tradespeople within Canada.

5. Provincial and Education Sector

The most significant difference of opinion between labour and business in this area appeared to be on the issue of partnerships with schools. Many business representatives identified such partnerships as essential, and took the view that institutions should become more market-driven and more open to business assistance. Labour respondents, on the other hand, were less enthusiastic about the value of such partnerships. Some labour representatives felt that these arrangements give business too much influence over education.

There was, however, considerable common ground on other fronts. Respondents from both constituencies urged the provinces to review their training and education resource levels with the goal of redressing the cumulative impacts of provincial cuts to education (elementary and secondary as well as post-secondary), training and apprenticeship budgets.

In this regard, it was noted that addressing anticipated shortages of teaching staff at all levels would be an additional critical challenge to schools and post-secondary institutions, with potential implications for their capacity to carry out their mandate.

There was a strong view in both constituencies that provinces and schools must correct a perceived bias amongst guidance teachers, as a result of which students are often directed to university studies upon graduation, at the expense of community colleges and, particularly, of the trades.

Both sides recommended that industrial arts programs be introduced or improved at the elementary and secondary levels. Both parties also agreed on the need for expanded co-op, internship and work experience programs to improve the employability, attitudes and work skills of students. Such initiatives would require much higher levels of partnership with local employers and unions.

6. Older Workers/Phased-in Retirement

Both labour and business respondents identified phased-in retirement provisions as a practical way to retain the invaluable knowledge, skills and experience of older workers for a longer period of time, although they recognized that this would involve the modification

of many current pension rules and regulations. These provisions could also serve to encourage experienced workers to mentor younger workers. Phased-in retirement would allow individuals greater choice as to how and when they would leave the workforce. It could be incorporated as part of an early retirement program or could be applied to people aged 65 years or more.

7. Working with Aboriginal Communities

Finally, respondents from both constituencies, particularly in Manitoba, Saskatchewan and Alberta, stressed the importance of working more extensively with the Aboriginal population, with the goal of including Aboriginal peoples effectively in the workforce. Drawing attention to the growing number of training and mentorship initiatives, they called for sustained activity to extend these further.

Conclusion

As respondents repeatedly pointed out, the skills agenda is a complex, multisectoral, and multifaceted challenge. What is needed is a combination of initiatives at all levels, by all stakeholders, over time, beginning now: what respondents called "*a will and a way to act*".

The Canadian Labour and Business Centre will continue to focus on identifying and furthering the development of measures to address the skills challenges.

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PRODUCTIVITY AND COMPETITIVENESS

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Consultant, Business Strategies

I'm not given to despair, but frustration was sometimes a companion during my career in a brutally competitive sector of the old economy. Fossilized habits in our large operations were anchors weighing on our international competitiveness, although they were nothing more than our versions of common habits everywhere. It is difficult to energize people for change when our practices are everyone's habits. Our smaller operations sometimes did remarkable things but inertia prevented replication or reinvention in larger ones.

Similarly, in the large public arenas, provincial and national governments did and still do things that limit our productivity or neglect to do things that could improve it. Several observations might be made about this. The more we aggregate decision-making to larger arenas with broader constituencies, the blander the result becomes as we try to minimally satisfy everyone. This is a powerful tonic for a slow decay of greatly focused ideas into a minimalist cure for an obfuscated issue. Many of us have been there.

Not to despair. Some of us are privileged to have seen the exceptional leader working with a compelling vision and a simple, believable story line. We are engaged by a clear goal, understandable detail, visualized reward, and absence of trivial complexity.

We get energized, ignition and lift off. A good idea is adopted by a mobilized constituency, followed by excellent execution and the right result. We are very fortunate if we can claim to have been there, done that, got the t-shirt.

From these experiences both good and bad, how do we realize improved productivity and competitiveness on a national scale? There is hope.

Enter the federal government with its recent musings about a new "innovation agenda" which will look at this very thing along with the sorry state of our standard of living. I might be given to worry that the feds will create a huge, multi-everything, cross-universe constituency leading to too many people doing too little work and producing bland, insipid results to no listening audience. However, I see the possibility of an energized, focused constituency and exceptional leaders for the cause.

Enter also the cross-border shopper (to the United States). I am a cross border shopper, and a vacationer there, importer, investor, and occasional taxpayer and gambler. I do not like the exchange rate. Since I am not alone, we may be a constituency and I think we can be exceptional leaders with a compelling vision, simple story, clear goal and visualized reward. It goes like this:

Since some significant part of the dollar dilemma is imbedded in productivity and competitiveness, we demand productivity! –

So, we cross-border shoppers need to become situational leaders and get the ball rolling by avalanching the federal government with contributing ideas to a productivity improvement study which has not yet even commenced. We will seek participation by marketing the idea to human resources practitioners and labour leaders as heady ground for collaborative work and a wonderful intellectual sandbox to play in. Let me start with a few contributions to the not yet formed study team.

Let's propose an end to reverse

Darwinism – Noble causes like saving jobs by infusions of public cash to failing businesses inevitably prop up the weak and undermine the strong and healthy. Shipyards, steel mills, coal mines, pulp and paper mills and an endless list of others come to mind. Lowering the bar to survival inevitably harms the performance of the strong, limiting innovation, research, and fair shareholder returns to the healthier firms.

While we are at it, don't throw money at good firms with good ideas either – They are already

Darwin's surviving species and the public funds would be better spent retraining and relocating eastern steelworkers to become better paid Alberta oil workers.

Don't saddle complex employment terms on small players –

As large businesses deconstruct to small niche suppliers and players, and as governments outsource, their hugely complex collective agreements tend to follow to the small survivors. Small players cannot manage the complexity of these employment relationships without expensive outside help. An unanticipated consequence can be to encourage American style union avoidance, which causes further strains on working relationships. The competitive advantage of small, agile, adaptable firms is lost in the complexity and adversity. Complex Government rules may hinder the businesses they profess to love.

Do the old Wagner Act principles remain the right model for today's labour law? –

The assumption of large, stable and routinely successful employers working in the old model of the economy also assumed labour needed the power of the law to redistribute wealth in its direction—or at least a balance of power to attempt to do so. That balance seems still to be the sole objective of labour codes. In the rough world of the new economy, is there room in labour law for prescriptions for other goals? British Columbia attempted to foster productivity as a recognizable concern in bargaining. The notion may have been quite worthwhile but the execution failed. Why not build in a productivity purpose as British Columbia did, but build a consensus and a constituency as well as a commitment to make it work?

Is the focus for labour law development in the right hands? –

I believe the provinces have demonstrated more experimentation in labour law than the national government, although many exam-

ples might be seen as more disruptive than imaginative. The problem is too much retributive pendulum pushing and not enough statesman-like attention to economic and human advancement. If thoughtful connections are to be made between the old Wagner principles and new economic performance demands, the federal government as leader might (paradoxically) be the better leader. Exceptional leaders do not let history, jurisdiction or constitution stand in the way.

Why is labour mobility so lead footed in Canada? –

Labour market information appears to be excellent. Our workforce is reasonably well educated and motivated. Private training and education institutions appear to be excellent and public ones capable. Loans and grants for self-improvement appear thoughtful and available. What aspects of our public policy directions are not functioning as they should? What motivations not present today do people need to help us reduce frictional unemployment and the inefficiency it produces?

We should pray for a critical shortage of skilled workers? –

It would be a necessary blessing to cause us to rethink how we train and put people to work. It might cause us to rethink compulsory trades, tight silos of mandated work jurisdiction, overly prescriptive and restrictive licensing, limited opportunities for various forms of learners and various certificates for varying degrees of proficiency. Why do we not have three levels of nurses with three levels of proficiency for ease of entry and freedom to progress at varying rates? We have para-legals and para-medics. Why not a whole host of paras who can be trained and

credentialed faster and progress at their chosen speed to their chosen level?

Skill development vendors need to become fleet of foot –

Public college curricula needs to become rapidly adaptive to current learner needs and well connected to the labour market to anticipate future learner needs. Colleges have excellent instruction staff and want to employ them fully and efficiently, but the system does not provide fast feedback on what works and what doesn't, where changes need to be made, at what speed. If public colleges cannot adapt somehow, Darwin will catch up and the more agile private colleges will be the survivors of the species.

Raise the skill differentials in wage structures –

Flat wage curves (high base, low differentials) seems to be consistent with the Canadian model of an egalitarian culture, and seem the preference of our trade unions. However, it seems at odds with new economy compensation needs and is quite different than United States practice with its higher workplace inequality index. What is the motivation to progress up the job hierarchy when the difference between the base rate and the highest skill rate in a huge factory is 25 per cent? A better motivation to self-improvement might exist with a wage curve range closer to 100 per cent, with differences based on knowledge and performance.

Market value of jobs but not pay equity –

Valuing jobs in such a way that carry factors for a market hierarchy of wages, or market rates themselves makes sense to me. Pay equity is one other of the few places where Canadian

egalitarianism has consequences that make it a doubtful concept and may be an interference with market pricing of labour.

Enterprise bargaining rather than sectoral bargaining – The parties to collective bargaining need to focus solely on their own place of employment for optimum outcomes. Compensation innovations and collaborative solutions are single workplace issues. As conglomerate businesses deconstruct to focussed, niche players, work process and market differentiation makes sectoral bargaining less appropriate. Similarly, these changing circumstances make pattern outcomes inappropriate as well. Local solutions to local conditions.

Labour and business should listen to the shareholder institutions – Large blocks of share holdings by mutual funds and pension investments are a

constrained if not powerful voice to business behaviour. Investment analysts and shareholder advocacy organizations are also watchful critics that have a real interest in better business performance. Both business and labour together should make a habit of inviting these folks in for friendly chats on better performance.

Develop ethical rules of combat at the bargaining table – We are noisy folks outside the cloistered rooms of the bargaining table. It seems to be an aberration in the Canadian behavioural mosaic, and can cause anxiety with our offshore customers, investors, and institutional shareholders. In my experience, many (but not all) other Organization for Economic Co-operation and Development countries carry on noisy discourse on the merits of the issues, while we tend to be noisy about the worthiness of the economic and political systems, government of

the day, motivations and moral values of the other side, etc. High dudgeon theatre from bargaining table leaders also tends to attract good (meaning bad) press coverage. I see some progress here, so the goal may be to learn, consolidate and expand better practices everywhere.

If my examples offend I take some comfort that my cross-border constituency is probably larger than the sum of all offendees. So, here I am at my nearby border crossing, holding my placard and passing out my leaflets. Happily retired and mentally voided of all the frustrations of my former workplace, I am engaged in a healthy new pursuit. I lead a constituency in a noble cause. We are the cross-border shoppers who believe improved national productivity will raise the value of the Loonie. Compelling vision, simple story, clear goal, visualized rewards. Can't lose.

HOW TO EVALUATE AND ASSESS HUMAN RESOURCE MANAGEMENT EFFECTIVENESS IN THE WORKPLACE

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Analysis and Synthesis

During the last ten years, as the strategic repositioning of human resource management has posed new challenges to organizations, the assessment of personnel management has become a major concern. In this context, management's primary challenge lies in how to measure the effectiveness of an organization's human resource department or function. Such a "check-up" on an organization's human resource management involves identifying the strengths and weaknesses of human resource policies and programs. And yet, despite practitioners' growing interest in evaluation, managers run into fundamental obstacles when they try to decide which practical methods and approaches to use. When managers find it difficult to apply certain assessment techniques, quantify certain human aspects of the work, master measurement tools and interpret data, some of them are discouraged from even trying to assess their organization's human resource management.

Indeed, several contemporary studies corroborate this weakness in assessing human resource management. For example, in the United States, Tsui and Gomez-Mejia (1987) discovered that as many as 57 per cent of senior managers used informal assessment practices, while Cashman

and McElroy (1991) mention that 29 per cent of the organizations they surveyed assessed their human resource departments either very rarely or not at all. Moreover, 66 of all 74 organizations surveyed used qualitative methods that were often based purely and simply on personal judgment. In Canada, Murray et al. (1990) revealed that 45 per cent of the companies they surveyed did not conduct any type of assessment at all, while 82 per cent of those performing assessments made do with a qualitative, essentially subjective approach.

These findings are particularly salient because they stem from a lack of consensus on a common, coherent definition of human

strategic repositioning of human resource management has posed new challenges to organizations

resource management "effectiveness." Such conflicting views have led to the development of a poorly integrated body of knowledge on human resource management assessment and a certain resistance to more formal and rigorous practices. Furthermore, the use of non-standardized terminology by human resource experts reflects this diversity of opinion and

highlights the very rudimentary state of our knowledge of assessment. For example, **checklist, auditing, evaluation and assessment** are just some examples of the terms used to refer to the concept.

Even if certain authorities adopt a particular term to denote the measurement of effectiveness, they also often use "assessment" and "evaluation", "checklist" and "evaluation", and "auditing" and "assessment" as synonyms. This varied use of language is not always justified and naturally tends to reinforce the impression that the boundaries between the various forms of expertise are blurred. Indeed, this lack of homogeneous expression is also reflected in the definitions of the various stages in the assessment process. When these difficulties are combined with different interpretations of human resource management effectiveness, the result has been a "bipolar" vision of assessment. That is to say, managers, taking their cue from the various models of organizational effectiveness, have generally opted for either quantitative or qualitative methods.

The aim of this paper is to propose a synthesis of human resource management assessment methods in order to clarify the issues and dissipate likely sources of confusion. In response to questions about the relevance of certain

methods in certain specific contexts and the validity of the measurement tools, we will attempt to elucidate and evaluate the various existing approaches. So, let's start with a review of the situation as it currently stands.

simplicistic conception of assessment. The most common form of this approach uses a binary response scale of the "yes/no," "present/absent," and "true/false" variety. Once the list of criteria has been established, the evaluator has only to note the presence or absence of the various factors.

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Qualitative Methods

The common factor in so-called "qualitative" methods is that they are not based on any rigorous, scientific methodology. In such approaches, the lack of adequate statistical measurement (non-parametric data) forces managers to limit the scope of their analyses to some extent. Those who favour this type of approach are convinced that it is impossible to "quantify" human resource management and that is why it is necessary to take a qualitative approach to "measuring" its effectiveness.

Checklist

The checklist technique is the most popular but also the most inexact qualitative approach to assessment. Its main measurement tool is the range of checklists used. The predominant role of this technique is to determine whether policies and procedures have been implemented as planned. The verification is conducted using a checklist of various policies and procedures. According to Dolan et al. (1988, ch. 18), this type of checking is based on a somewhat

Proponents of the qualitative school have carefully developed various data collection tools that use interviews or questionnaires for putting this approach into practice. For example,

Diverrez (1962) created a questionnaire that management could use to "diagnose" all their human resource management functions. The proposed questions were open-ended, calling for short yes/no responses on a range of topics covering staff assignment, pay and training. Côté (1975, ch. 7), for his part, introduced checklists that were similar to Diverrez's, but easier to use. The clearly stated objective of the Côté approach was to gather information and then assess it on the basis of three human resource parameters—employee acquisition, retention and development.

The direct advantages of this approach are its flexibility, ease of use and low cost. On the other hand, major drawbacks include difficulties in interpreting the results and in accurately determining whether the human resource department concerned is indeed primarily responsible for achieving the organization's management objectives. Another potential weakness of this approach is the subjective way the assessment is made (in terms of perceptual bias and the quality of the evaluator's training). Certain authorities criticize this approach for its

emphasis on the human resource "function" at the expense of the Human Resource Department (Petersen and Malone, 1975). This restricted scope undoubtedly limits the flexibility required to modify policies in the wake of the assessment.

Quantitative Methods

At the same time as the proponents of qualitative methods for assessing services were developing their approaches, a parallel school of thought emerged that was supported by several distinguished theoreticians (Cascio, 1991) and which advocated quantitative methods for assessing the effectiveness of human resource services. Here are brief descriptions of these approaches:

1. Human Resource Accounting

Human resource accounting is an approach that draws heavily on accounting concepts. It is now becoming less influential compared with other trends. After its beginnings in the sixties, when it was very popular, this approach has gradually faded into the background in the human resource management assessment field.

The underlying concept of the accounting approach is to consider human resources as being essentially the same as the organization's other, mainly financial and material, resources. Indeed, this approach even conceives of human resources as an "investment" for the organization. The classic definition of accounting formulated by Brummet et al. (1968:20) calls it

"the process of identifying, measuring, and communicating information about human

resources to facilitate effective management within an organization." Thus, the central thrust of the method is to approach human resources as an organizational asset in the standard accounting sense of the word. Its distinctive technique is to measure the value of staff members as "resources" for the organization. In this way, the method can be used to generate financial statements showing the comparative value of the organization's human resources relative to the organization's financial investment in them. The accounting approach gives rise to **two important techniques** that attribute economic value to the individuals working for organizations:

- Discounting/capitalizing the human resources' future income,
- Calculating the cost of acquiring and training staff.

In the first technique, an employee's value is determined by the estimated value of the employee's services (present and future), primarily calculated on certain key indicators, such as the organization's future revenue or the employee's effective salary. Central to this technique is calculation of the organization's profits that are linked to the employee's services and other contributions. The particular feature of this approach is based on the organization's revenue. In this approach, the "value" of human resources is deducted from their current and projected results. There appear to be two feasible ways of calculating this:

- (a) The organization's revenues are estimated and future revenue is then discounted/

capitalized using standard financial methods:

C.V. = F.V. / (1+i)ⁿ where:

C.V. = current value;

F.V. = future value;

i = discount/capitalization rate and

n = unit of time (months, person-years).

Once the revenue has been discounted/capitalized, the most difficult part of the exercise consists in assigning a percentage of the total obtained to each human resource. However, once this is done, an assessment can be made of the value of each human resource.

- (b) An assessment is made using salary as the key indicator. In this sense, a human resource's salary is a good indication of the employee's value. The aim of this approach is to discount/capitalize the human resource's income according to the current value formula described above.

In the second technique, an employee's value is determined by the costs the organization incurs in acquiring the employee's services. The focus here is on the organization's investment and assessment of this investment. This means of measuring human resource value is thus based on expenditures, specifically those relating to employee hiring and training.

In a general sense, the proponents of this method have addressed the difficulty of quantifying assessment. They have drawn up an impressive array of measurement tools and outlined concrete

aspects for consideration. Also, in addition to the assessment frameworks explained above, Hermanson (1964) has proposed the relative level of company profits as a measurement yardstick. Heckimian and Curtis (1967) proposed the idea of "renunciation costs" and Flamholtz (1972) developed this proposition, which has since generated much discussion in print. On the other hand, despite the commendable nature of these efforts, they were not without their critics. One of the main criticisms attacked the method used on the grounds that the authors who created it had acted unsystematically and were more concerned with formulating assessment methods than explaining the underlying concepts for their models.

2. Utility Analysis

The aim of utility analysis is to translate into monetary terms the advantages and disadvantages of human resource management practices. Most supporters of this method use mathematical concepts as the basis for their arguments and methodologies. At the outset, utility analysis focussed on human resource selection and also used accounting and financial techniques to produce "cost/benefit" analyses. In this technique, projected profits are calculated by assigning a monetary value to the predicted results that are linked to human resource activities. Here is a brief summary that explains how this approach has been used in selection, the area of human resource management where it first played a substantive role.

The Concept of Utility in Human Resource Selection

Every organization attempts, in its human resource selection process,

to make the best decisions, limit mistakes to a minimum (in terms of both accepting and rejecting candidates) and keep costs as low as possible. The concept of utility cannot therefore be dissociated from the understanding that both good and bad decisions can occur. As part of the process of reconciling the twin objectives of making good decisions and keeping bad decisions to a minimum, a first step is to assess the relative difficulty inherent in the position concerned (i.e., the proportion of candidates who would perform well even if chosen at random). The next step is for the evaluator in the selection process to determine how valid the "predictor" (i.e., the forecast and selection tool) has been. The degree of validity corresponds to the number of good decisions as a ratio of the total number of decisions, expressed as a correlation coefficient. Consequently, an increase in this ratio would directly reflect an increased number of good decisions based on the predictor. This assessment approach is founded on the premise that the degree of validity of the predictors used is at least somewhat higher than the position's degree of difficulty. In this way, the utility of this selection method can only be reinforced and legitimized.

On the other hand, the selection ratio (number of positions to be filled divided by the total number of candidates, multiplied by 100) also affects the final utility assessment. As this ratio drops, the selection process is considered to be improving. Lastly, the idea of cost in the concept of utility must also be considered as part of the basis for final decisions. This means that there has to be a cost/benefit analysis of the decisions made in the selection process. In this regard, it becomes crucial to compare the benefits deriving from

effective selection decisions with the costs generated. It is this relationship that forms the basis of a utility equation that includes both costs and benefits.

3. Statistical Indicators

This inherently quantitative approach uses purely statistical methods to assess results. Glueck (1978) points to it as one of the most appreciated and widely used methods. Its popularity with practitioners is mainly explained by its concrete, precise nature. Furthermore, it also has the advantage of being easily distinguished (even conceptually) from the other approaches. Its purely quantitative character endows it with a specific identity among the various assessment methods.

In order to classify these indicators we have used the categories established by Bélanger et al. (1988, ch. 17) which enjoy the relative advantage of accurately reflecting the major groups of indicators mentioned in the literature. With respect to the large number of different human resource areas these indicators can refer to (some 600, according to Seybold, 1964), this discussion is confined to a brief summary based on **two categories of quantitative criteria:**

- **Indicators related to human resource productivity** as reflected in performance of the employee over a given period of time. Often defined in the literature in terms of an input/output ratio, these indicators are linked to key human resource management phenomena, such as the turnover rate (frequency and seriousness), the rate of absenteeism, the number of grievances, the number of work accidents and overtime (Dolan et al., 2001).

- Indicators on qualitative aspects of the organization's products and services that the human resource manager can use for human resource management-related purposes. These indicators include rates covering rejections, returns, quality and downgrades. The essential advantages of statistical indicators lie in their practicality and general ease of use, storage and application. Generally speaking, statistical indicators are a very useful means of measuring human resource effectiveness. The major shortcoming of this quantitative approach lies in how the results are interpreted. For instance, Tsui (1984:184) writes:

Measures such as turnover, absenteeism, job satisfaction, and health are quantifiable and potentially meaningful. However, it is difficult to trace the antecedents of these outcomes.

This quotation succinctly points out the inherent limitations of statistical indicators—they must always be considered in perspective so as to be able to accurately assess their true meaning, the degree of their positive or negative effects, and the real causes of the phenomena being measured. Another drawback that is not so obvious is the overall proliferation of statistical indicators. The growth in lists of statistical indicators has reached a point where it is certain that evaluators will be faced with the challenge of having to choose tools that are capable of interpreting results correctly.

4. The Budget Method

This approach more closely resembles a financial technique aimed at checking expenses and costs rather than a genuine assessment approach. The budget

method assesses human resource activities on the basis of the percentage or relative value of these activities in the organization's overall budget, as well as in terms of the monetary costs of each activity for each employee. The main advantage of this technique is to allow a close control of budgetary expenses, but it also has the major drawback of not fairly reflecting the effectiveness of the Human Resource Department concerned. Several factors, such as each organization's particular size, budget policy and sector of activity, can play a role in seriously skewing the assessment results based on this approach.

5. The Multiple-Constituency Approach (or Client Approach)

As a combination of both quantitative and qualitative features, the multiple-constituency approach measures the effectiveness of an organization's human resource services by the level of satisfaction of its own clients (Tsui and Gomez-Mejia, 1987). This approach, which derives from an original approach to effectiveness based on the idea that an organization can be judged by the various stakeholders with which it has common interests or work relations, has attracted the interest of several authors (Belout and Dolan, 1996).

Indeed, at a time when total quality has become a key objective for organizations, this conception of Human Resource departments as internal service providers stands out as an innovative way of assessing human resource management effectiveness. This client-based approach derives its conceptual footings from an organization's express willingness to serve its clients and recognize that they are entitled to analyze and formally judge what they receive from their suppliers and providers.

In this perspective, clients are defined as the internal or external constituents who have some "stake"

Advantages and Drawbacks of the Multiple-Constituency Approach According to Ulrich (1989:304)

Dimension Domain	Human Resource Department Roles
Concept	<ul style="list-style-type: none"> The roles are dependent on the client's perceptions on the views of the users of the function.
Assumption	<ul style="list-style-type: none"> Human resources is a service function designed to provide service to its clients; responding to client' needs determines effectiveness.
Processes	<ul style="list-style-type: none"> Identifies key stakeholders; Formulates questions relative to assessment; Collects/analyzes data; Provides feedback to all interested parties.
Strengths	<ul style="list-style-type: none"> Involves people from diverse groups; Creates joint responsibility for human resources; Emphasizes the service nature of the human resource function.
Weaknesses	<ul style="list-style-type: none"> Not linked to performance outcomes; Not linked directly to human resource costs; Requires high commitment in terms of time and resources; Focuses on doing things right vs. doing the right things.

in the Human Resource Department or who have a working relationship with it. Senior executives, middle managers, employees, the board of directors, etc. can all be considered internal clients, while the group of external constituents includes stakeholders like government, unions, pressure groups and law offices as potential clients. An organization's effectiveness can then be measured in direct proportion to its ability to satisfy these various actors. Human Resource departments should therefore seek to meet their clients' various needs by suitable human resource management strategies (Belout and Dolan, 1993). Although it is difficult to estimate how valid and accurate this innovative approach is, some authors have nevertheless tried to identify its advantages and drawbacks on the basis of the empirical research studied. The following table summarizes what Ulrich (1989) has concluded on this question.

Broadly speaking, the generally recognized strengths of this client-based approach are its flexibility, high level of acceptance by managers, relatively low opinion-survey costs, role in clarifying the Human Resource Department's responsibilities, and ability to adapt to several different contexts. On the other hand, very little experimental work has been conducted on this method. Some criticism has been voiced, mainly on the grounds of

the practical difficulties inherent in incompatible client expectations, the overly subjective nature of client opinions, and the challenge of identifying the most important clients. Some researchers even go so far as to conclude that this approach treats organizational effectiveness as a sociopolitical process, hence making it a highly complex task to put such an approach into practice.

Conclusion

In this paper, we have tried to explain the main methods of assessing human resource management to encourage the development of a more coherent and integrated body of knowledge in this field. At the same time, we have attempted to share with practitioners who are looking for a rigorous approach to human resource management assessment some basic information on the main advantages and drawbacks of the methods currently available. Our aim has also been to use our evaluations to frame certain lines of thinking that would help managers choose an approach that would meet the needs of their respective organizations. It is imperative to realize that all these assessment approaches have their particular strengths and weaknesses. Since these approa-

ches are not mutually exclusive, several experts now recommend combining quantitative and qualitative approaches as the best way to conduct an assessment.

In view of the urgent need to integrate quantitative and qualitative approaches, the aim of future research should be to shed more light on this issue by highlighting the connections between assessment methods and the aspects being analyzed. The focus of the analysis is the aspect being assessed (the "assessed entity"). Current theory recognizes three aspects for analysis—the human resource management function, Human Resource departments and human resource management practices. Depending on the aspect being assessed, evaluators should

several experts now recommend combining quantitative and qualitative approaches as the best way to conduct an assessment

identify the most appropriate assessment criteria from the various approaches described and then decide on a weighted combination of quantitative and qualitative methods according to their particular needs. Such a process will undoubtedly require a comprehensive synthesis of assessment methods and the aspects to be analyzed, as well as further empirical research on how to measure the effectiveness of human resource management.

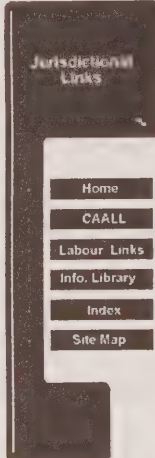
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




















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New One-Stop Shopping Labour Site

The web site contains comprehensive labour data from every province and territory with information on workplace innovations, labour standards legislation and industrial relations. Please feel free to visit the web site at www.labour-info-travail.org/E_main.cfm.



Jurisdictional Labour Home Pages

 <u>Alberta</u> 	 <u>Nunavut</u> 
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 <u>Newfoundland</u> 	 <u>Saskatchewan</u> 
 <u>Northwest Territories</u> 	 <u>Yukon Territory</u> 
 <u>Nova Scotia</u> 	 <u>Federal</u> 

Accessing a jurisdictional page opens a new session. Use the task bar (at bottom) to toggle back to this session.

PATTERNS OF INNOVATION IN UNIONS IN CANADA: PRELIMINARY HIGHLIGHTS FROM THE 2000-2001 HUMAN RESOURCES DEVELOPMENT CANADA SURVEY OF INNOVATION AND CHANGE IN LABOUR ORGANIZATIONS

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and
Gregor Murray
Department of Industrial Relations
Laval University

Over the winter and spring of 2000-2001, on behalf of the Workplace Information Directorate of Human Resources Development Canada and in cooperation with a broad range of union organizations, we conducted a survey of innovation and change in labour organizations in Canada. The targeted population was the 205 national and international unions of 500 or more members in Canada, excluding independent locals, which accounted for a little more than 3.8 million union members. Due to the great union interest and cooperation in this survey, the response rate was very high: 120 national unions (58.5 per cent of the sample) covering a little less than three million members (76.5 per cent of members in the targeted population).

The typical respondent was a senior official or staff person in a provincial or national union, such as a teachers or nurses union at provincial level or a construction or multi-industry union at national level, reporting on trends in their own organizational practices and the bargaining environment and priorities in their major sector. In forthcoming issues of the Workplace Gazette, we will profile some of the major bargaining and environmental trends emerging out of this survey. In this issue, we give a glimpse of the spread of different innovative practices and technologies.

A key question concerns the degree to which unions in Canada have experienced a high or very high degree of change in different areas of endeavour during the three years preceding the survey (see Chart A). Asked about a broad range of issues affecting their organizations, the answers of the union respondents tended to group into three areas of change: membership engagement, political action and organizing and/or workplace initiatives. In other words, unions that reported change in one of these areas were more likely to report changes on more than one of the indicators of this type of change.

Unions in Canada are certainly experiencing considerable change in relations with their members. On the basis of multivariate analysis, unions that are more likely to be reporting a favourable environment and increased resources in terms of full-time staff are experiencing the greatest change in the different areas of change entailing **membership engagement**. In other words, change in the area of membership relations is not being driven by adversity but rather by a more favourable environment and increased resources.

There is somewhat less change reported in the area of **political action**. The unions most likely to be reporting such change are in the private sector and those that are characterized by a social union orientation, i.e., unions that engage in coalition-building with community groups and are involved in the community, undertake political action to change public policy and place a high priority on the promotion of membership understanding of union policy and practice.

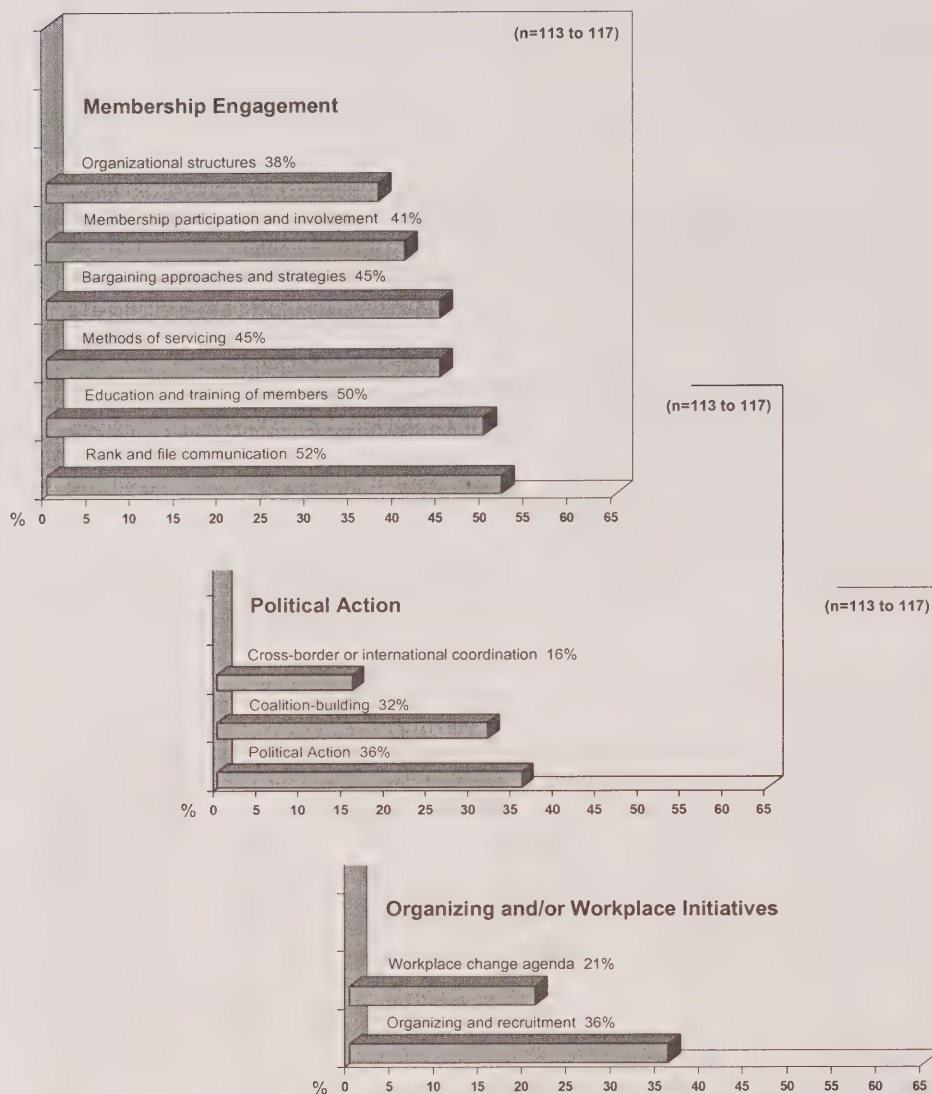
Finally, unions that are making changes in the area of **organizing and workplace change** are more likely to be positively engaged with employers (dialogue on workplace modernization and investment, worker investment funds and engaged in bipartite and tripartite committees outside the workplace) and/or to be characterized by a social union orientation.

Given the increasing importance of **new information and communications technologies**, another key question concerned the degree to which unions in Canada are engaged in the use of various new technologies and techniques and the types of union organizations that are more likely to be doing so.

Unions in Canada are increasingly likely to use new technologies and a variety of techniques to communicate with their members (see Chart B). This

Chart A

**Extent of Change in Different Areas of Union Activity
(Percentage of Unions Reporting a High or Very High Degree of Change
during the Preceding Three Years)**

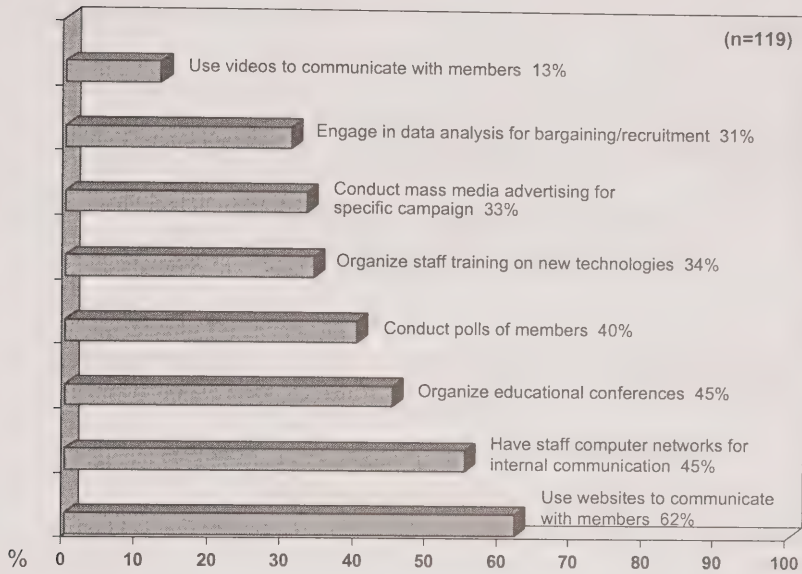


is particularly in evidence with the use of Web sites and staff communications networks. Indeed, less than 10 per cent of unions report that they do not use a Web site to communicate with members and/or a computer network to ensure communications between officers, staff and activists. Which unions are more likely to be using these new technologies and techniques? On the basis of multivariate analysis, we

can report that unions with more members, unions in the public sector, unions reporting the increased availability of resources over the preceding three years, unions that promote a social union orientation and unions that are characterized by decentralized servicing are more likely to be innovating in the areas of new technology and other techniques of communication.

Chart B

**New Technologies and Techniques
(Percentage of Unions Reporting Systematic or Very Frequent Use)**



TRINATIONAL CONFERENCE ON VIOLENCE AS A WORKPLACE RISK, MONTRÉAL, QUEBEC, NOVEMBER 29-30, 2001

Kim Oliver
Strategic Policy and Partnerships
Labour Program, Human Resources Development Canada

Violence, be it psychological or physical, can transform workplaces into hostile and hazardous settings. In North America, there is a growing realization that violence affects all business sectors and many occupations.

How can we identify the potential for violence?

What are the risk factors?

Meanwhile, as we search for answers to these broader questions, the costs and consequences of workplace violence demand that we also respond to a number of immediate, practical concerns.

How can we effectively deal with workplace violence?

What can be done to assist victims?

And perhaps most importantly, can workplace violence be prevented?

On November 29 and 30, 2001, experts from Canada, Mexico and the United States will gather at the Fairmont Queen Elizabeth Hotel in Montréal to examine the issue of workplace violence. The forum for these important discussions will be the Conference on Violence as a Workplace Risk—a two-day trilateral event organized under the Cooperative Work Program of the North American Agreement on Labour Cooperation. Hosted jointly by the Labour Program of Human Resources Development Canada and the Ministère du Travail du Québec, and organized in collaboration with the United States Department of Labor, and the Mexican Department of Labour and Social Security, this conference will aim to provide participants with practical solutions to the issue of workplace violence by sharing valuable information and highlighting best practices and successful methods of prevention.

The Conference Program, developed under the guidance of a tripartite, trilateral steering committee, provides extensive opportunity for audience participation. Through case studies and panel sessions, as well as through discussions with a cross-section of interested parties representing labour, business, government and academia, participants will explore the following:

- the nature and extent of the issue in each of the North American countries;
- the costs and consequences of workplace violence on individuals, companies and societies;
- the risk factors leading to incidents of psychological and physical violence in the workplace;
- why certain occupations are at higher risk of experiencing violence;
- how workers' compensation and insurance systems in various jurisdictions treat the issue of physical and psychological harm resulting from workplace violence;

- the various forms of assistance that are available to victims, witnesses and perpetrators of violence;
- successful policies and solutions adopted in various organizations and jurisdictions to both deal with and prevent workplace violence; and
- the agenda for further research and prevention.

For additional information concerning the Conference,
please contact :

Sahadia Etienne at (819) 953-0244 or
Sahadia.Etienne@hrdc-drhc.gc.ca
before October 12, 2001.



XII Conférence interaméricaine des ministres du Travail
XII Inter-American Conference of Ministers of Labour
XII Conferencia Interamericana de Ministros de Trabajo
XII Conferência Interamericana de Ministros do Trabalho

THE XII INTER-AMERICAN CONFERENCE OF MINISTERS OF LABOUR

Jennifer Jenkins
Communications, Labour Program
Human Resources Development Canada

Since 1963, Labour ministers of the Americas have met approximately every three to four years at the Inter-American Conference of Ministers of Labour. Held under the umbrella of the Organization of American States, the Conference provides a forum to promote discussion and cooperation on important labour issues. Canada will host the XII Inter-American Conference of Ministers from October 17-19, 2001. Labour ministers from 34 democratically elected states will meet in Ottawa and over 350 participants from Organization of American States countries are expected to attend. Ministers will be joined by officials from international organizations, representatives from labour unions and business organizations, and observers from many other nations and non-governmental organizations.

Canada and the Americas

Since formally joining the Organization in 1990, Canada has pursued a more extensive relationship with the countries of the Americas and has been increasingly active on a wide variety of issues facing the region. While increasing trade across our borders is an important contributor to economic growth, Canada recognizes that economic opportunities must be accompanied by common values such as respect for basic workers' rights. This Conference will allow Canada the opportunity to promote core labour standards across the Hemisphere.

Major Issues for the XII Inter-American Conference of Ministers of Labour

The Conference will build upon discussions of labour-related issues held by leaders and heads of state at the Summit of the Americas in April 2001. At the Summit, leaders renewed their commitment to hemispheric integration and national collective responsibility for improving the economic well-being and security of their citizens. Part of this commitment

to social and economic progress includes discussion of the labour dimension of further economic integration and the promotion of basic workers' rights, or core labour standards, as defined by the International Labour Organization. In addition, the Ministers will continue their discussions of the labour and social dimensions of globalization and the modernization of labour ministries.

The International Labour Organization

The International Labour Organization is dedicated to promoting the rights and well-being of workers. It works to support core labour standards as embodied in the Declaration of Fundamental Principles and Rights at Work. As Conference host, Canada will use this opportunity to promote even greater co-operation among Organization of American States, the International Labour Organization and other key international institutions.

Preparing for the XII Inter-American Conference of Ministers of Labour

Canada's Minister of Labour, the Honourable Claudette Bradshaw, is preparing for the upcoming Conference by consulting with her counterparts across the Americas, with national and international labour bodies, employers, social groups, and other labour stakeholders on the development of the Conference agenda. Member countries, together with representatives of employer and national labour organizations, and key international agencies, met in Miami in July 2001 to discuss the conference agenda, draft declaration and plan of action.

Canada's Role in Labour Co-operation

Canada is committed to the promotion of core labour standards, better working conditions, and improved living standards across the Americas. Canada is working to achieve these goals through its participation in the International Labour Organization and through multilateral and bilateral labour cooperation agreements. The United States, Mexico, Chile and Costa Rica are countries with whom Canada has signed free trade agreements.

Tasks and Challenges

Globalization has demonstrated that labour issues cannot be isolated by national boundaries. On the contrary, these are shared challenges that can only be addressed in an international context. The countries of the Americas share many common values, as illustrated by previous conference declarations. Globalization can be directed to improve the lives of all our citizens, but this will only happen when the forces of economics and social progress work together in harmony. This is not an automatic occurrence: processes such as the Inter-American Conference of Ministers of Labour are necessary to make it happen.

Next Steps

Canada's Labour Minister will become the Conference Chair until the XIII Inter-American Conference of Ministers of Labour in 2004. As Chair, the Minister will be responsible for convening the meetings and discussions designed to move the implementation of the Conference Plan of Action forward.



BE SAFE IN YOUR WORKPLACE: PRACTICE FIRE PREVENTION STRATEGIES

Marcia Blaschke
Labour Communications, Labour Program,
Human Resources Development Canada



FIRE PREVENTION CANADA

Working with the public and private sectors to achieve fire safety through education

PRÉVENTION DES INCENDIES DU CANADA

Travailler avec les secteurs privé et public afin de promouvoir la sécurité-incendie par l'éducation

Fire Prevention Week, October 7-13, 2001

Each year, accidental fires in the workplace cause injury, death and loss of livelihood to thousands of Canadians. As well, workplace fires cost businesses millions of dollars in property losses, costs that are often not recoverable. In fact, 45 per cent of businesses never reopen following a fire. Such losses are avoidable by applying basic fire prevention controls and emergency preparation measures. Most accidental fires in the workplace are a result of the negligence of employers, employees or both. The truth is, accidents happen, but in the case of fire, those accidents could be prevented with the development and implementation of a sound fire prevention program.



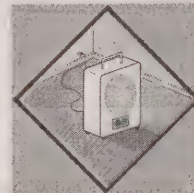
1st base

*Kitchen
Safety*

Every year, the Labour Program of Human Resources Development Canada works with Fire Prevention Canada during Fire Prevention Week to raise fire safety awareness to decrease the number of deaths, injuries and property losses due to fire. Since 1923, Canada has joined with the United States in commemorating the Great Chicago Fire of October 9, 1871, that took the lives of 300 people and destroyed 18,000 buildings.

Fire Prevention Week runs from October 7 to 13, 2001. This year's theme is "**Cover the Bases & Strike Out Fire**" which combines a favourite summertime activity with important safety tips. The campaign cleverly communicates fire safety messages through the language of baseball. It is a week dedicated to promoting fire prevention initiatives as the answer to saving lives and property.

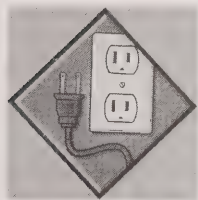
As in baseball, fire prevention in the workplace means having a strategy where everyone on the team works together to reach a common objective. This year's promotion uses a baseball diamond as a reminder of the bases to cover in order to prevent fires in the workplace. Each base represents one of the three leading causes of fires: cooking, heating and electrical equipment. Home plate serves as a reminder to test fire alarm systems and to develop and test a fire evacuation plan. The object of the game in baseball is to win and the same can be said about fire prevention. To win at fire prevention means everyone must remain vigilant and responsive to the dangers of fire in order to save lives, property, and the livelihood of business owners and employees.



2nd base

*Heating
Safety*

The Labour Program encourages compliance with national and international fire prevention and fire protection standards. It is concerned with people and properties under the umbrella of the federal government. However, protecting all Canadians from the consequences of fire is a responsibility shared by all levels of government and by all Canadians.



3rd base

*Electrical
Safety*

Fire Prevention Week is an example of a successful partnership between different groups with a common interest and purpose. Whether at home, work or in the field, **everyone wins when the whole team works together to Cover the Bases & Strike Out Fire.**

During Fire Prevention Week, the Minister of Labour and the Labour Program remember and share the grief of those in the fire service and their families who were directly touched by the tragic events in the United States on September 11, 2001.

SELECTION OF RECENT CHANGES IN CANADIAN LABOUR LAWS

Adopted Bills, Regulations and Other Statutory Instruments

Michel Gauvin and Charles Philippe Rochon
Strategic Policy and International Labour Affairs
Labour Program, Human Resources Development Canada

British Columbia: *Miscellaneous Statutes Amendment Act, 2001*; Bill 11 Assented to August 16, 2001

Among other legislative changes, this omnibus bill presented by the new Government of British Columbia repealed the *Human Rights Amendment Act, 2001* (Bill 17), which amended pay equity provisions and was set to come into force on June 1, 2002. (For more information about Bill 17, see the Summer 2001 issue of the *Workplace Gazette*.)

Newfoundland: *Royal Newfoundland Constabulary Arbitration Regulations under the Royal Newfoundland Constabulary Act, 1992*; Newfoundland Regulations 42/01 Gazetted June 22, 2001

Effective June 18, 2001, these Regulations provide that where the government negotiator or the bargaining committee representing police officers notifies the other party under the *Royal Newfoundland Constabulary Act, 1992* that matters in dispute between them are to be referred to arbitration, the method of arbitration must be final offer selection for wages, if they are in dispute, and conventional arbitration for all other matters. The arbitrator or board of arbitrators must take into account specific factors in making an award, such as the ability of the employer to pay in light of its fiscal situation, and must specify the period for which the decision is to remain in effect (minimum one year).

Ontario: *Ambulance Services Collective Bargaining Act, 2001*; Bill 58 Assented to June 29, 2001

On January 1, 2001, the government of Ontario transferred the responsibility for operating land ambulances to municipalities. As a result, the majority of ambulance workers now fall under the *Labour Relations Act, 1995*, which does not provide for essential services.

If the *Labour Relations Act, 1995* applies to them with respect to their collective bargaining, the *Ambulance Services Collective Bargaining Act, 2001*, applies to employers of ambulance workers and their organizations, employees in a bargaining unit that includes those ambulance workers, and trade unions and councils of trade unions acting as bargaining agents for employees in such a bargaining unit. It does not apply to hospital-based ambulance services and their employees, which continue to be covered by the *Hospital Labour Disputes Arbitration Act*; and it does not apply to dispatchers who work for the province or air ambulance paramedics, who continue to be covered by the *Crown Employees Collective Bargaining Act, 1993*.

The parties covered by the new legislation must negotiate an essential ambulance services agreement. Conciliation services are available at the request of either party. The agreement must set out the number of ambulance workers who are required to provide essential ambulance services during a strike or lockout and specify other related information. The *Act* also provides that an employer may increase for a temporary period the number of ambulance workers who are required to work if unanticipated emergencies arise during a strike or lockout and the number of ambulance workers required to work under the agreement is insufficient.

Either party may apply to the Ontario Labour Relations Board for a determination of any matters that have not been resolved. A party may also apply to the Board to amend or enforce an essential ambulance services agreement.

An essential ambulance services agreement must be in effect before any strike or lockout of ambulance workers may be declared. However, this does not affect the right of employees in the bargaining unit who are not ambulance workers to strike or of the employer to lock them out if such a strike or lockout would be legal under the *Labour Relations Act, 1995*.

Either party may apply to the Board for a declaration that an essential ambulance services agreement deprives employees of a meaningful right to strike or the employer of a meaningful right to lock employees out. The Board may only issue a declaration if less than 75 per cent of the employees in the bargaining unit (or such other percentage as may be prescribed by regulation) may strike or be locked out despite the essential ambulance services agreement. In making a decision, the Board may order various remedies, including amending the agreement or directing the parties to confer with a mediator. The Board may also divide the bargaining unit into two units, one consisting of ambulance workers and one containing the other employees, and refer the ambulance workers' dispute to final and binding interest arbitration.

If the Board orders arbitration with respect to a bargaining unit of ambulance workers, any strike or lockout of employees in the unit is prohibited, and the terms and conditions of employment that were applicable to them prior to the date on which a strike or lockout became lawful are restored until a collective agreement is in force, unless the parties agree otherwise. If the parties are unable to agree on an arbitrator, at the request of either party, the Minister of Labour will appoint one and select the method of arbitration, which may include mediation-arbitration or mediation-final offer selection. The arbitrator must consider specified criteria in making an award, including the employer's ability to pay, in light of its fiscal situation.

The *Act* incorporates the offence provisions and certain remedial provisions of the *Labour Relations Act, 1995*, to deal with matters such as unlawful strikes or lockouts.

The *Act* came into force on June 29, 2001.

Ontario: *Stability and Excellence in Education Act, 2001*; Bill 80 Assented to June 29, 2001

This Act brings, among other things, amendments to the *Education Act* having a bearing on collective bargaining between school boards and their employees.

An amendment has extended the role of the Education Relations Commission to giving advice to the government when the successful completion of courses of study by pupils is in jeopardy as a result of a strike by or lockout of any school board employees. The Commission could previously provide such advice

in disputes between school boards and teachers' unions, but not in disputes between school boards and unions representing support staff.

Another amendment has introduced new provisions dealing with the terms of collective agreements. Under these provisions, the first collective agreement between a school board and a designated bargaining agent for a teachers' bargaining unit that is entered into after July 1, 2001 must provide that it expires on August 31, 2004. This applies even if the collective agreement would have a term of less than one year as a result. Every subsequent collective agreement between the parties must provide for a term of operation of three years, beginning September 1st of the year in which the previous collective agreement expired.

These amendments came into force on July 1, 2001.

Ontario: *Employment Standards Act, 2000 – Amendments, Proclamations and Regulations*

Following its adoption on December 21, 2000, the Government of Ontario brought a number of amendments to the *Employment Standards Act, 2000*, (ESA 2000). These amendments, contained in the *Government Efficiency Act, 2001* (Bill 57, Assented to June 29, 2001), clarified and corrected a number of provisions.

The government set September 4, 2001, as the date on which all sections of the ESA 2000 and amendments contained in the *Government Efficiency Act, 2001*, it would come into effect. Only those provisions extending the maximum duration of parental leave and repealing the *Employment Agencies Act* were already in effect before that date.

As part of its reform of employment standards legislation in the province, the Government of Ontario has also adopted seven regulations under the ESA 2000. On September 4, 2001, these repealed and replaced regulations made under the previous *Employment Standards Act*.

Following is a brief overview of the new regulations under the ESA 2000:

- The *Exemptions, Special Rules and Establishment of Minimum Wage Regulation* (Ontario Regulation 285/01) contains provisions found in the previous *General Regulation; Domestic, Nannies and Sitters Regulation; Fruit, Vegetable, and Tobacco Harvesters Regulation;*

and *Residential Care Workers Regulation*. Changes include new definitions and a revised list of exemptions from specific provisions of the Act (e.g., information technology professionals are no longer covered by minimum standards regarding hours of work, rest and eating periods, and overtime pay; domestic workers are now treated like other employees with respect to hours of work and rest periods). With some exceptions, employees in retail business establishments no longer have the right to refuse to work on a Sunday if they had agreed to do so when hired. In addition, the Director of Employment Standards has the authority to approve agreements between employers and employees: 1) designed to average hours over a period of more than four weeks, for the purpose of determining entitlement to overtime pay; or 2) allowing an employee to work for a specified number of hours over the 60 hours/week limit set in the Act.

- The *Benefit Plans Regulation* (Ontario Regulation 286/01) revoked and replaced the previous Regulation of the same name.
- The *Building Services Providers Regulation* (Ontario Regulation 287/01) revoked and replaced the *Successor Employers Regulation*.
- The *Termination and Severance of Employment Regulation* (Ontario Regulation 288/01) revoked and replaced the *Termination of Employment Regulation*.
- The new *Enforcement Regulation* (Ontario Regulation 289/01) prescribes penalties for contraventions of the Act.
- The new *Posting of Information Concerning Rights and Obligations Regulation* (Ontario Regulation 290/01) prescribes the material that employers must post in every workplace under the Act.
- The *Terms and Conditions of Employment in Defined Industries Regulation* (Ontario Regulation 291/01) revoked and replaced two Schedules (Ontario Regulations 282/99 and 283/99) made under the *Industrial Standards Act*. It sets minimum employment standards generally similar to those in the Schedules for employees in the women's coat and suit industry and in the women's dress and sportswear industry.

Moreover, two regulations (Ontario Regulations 292/01 and 293/01) revoked various regulations made under the previous *Employment Standards Act*.

Finally, regulations made under the *Employment Agencies Act* and under the *Industrial Standards Act* were revoked by three other regulations (Ontario Regulations 294/01, 295/01 and 296/01).

(More details about the *Employment Standards Act, 2000*, were published in the Spring 2001, issue of the *Workplace Gazette*. A description of the *Government Efficiency Act, 2001*, and of the most salient aspects of the new regulations under the ESA 2000 is available under "Developments in Labour Legislation in Canada" on the Labour Program's Web site).

Changes to Parental Leave Provisions in Provincial and Territorial Labour/Employment Standards Legislation

Following the example of other provinces and territories (as mentioned in the Spring 2001 and Summer 2001 issues of the *Workplace Gazette*), Nunavut and Saskatchewan modified their labour standards legislation to increase the maximum duration of parental leave for eligible employees in their respective jurisdictions. This means that all female employees in Canada who meet eligibility requirements can now benefit from at least one year of job-protected leave in combined maternity and parental leave.

In Nunavut, the *Act to Amend the Labour Standards Act* (Bill 10) received Royal Assent on May 29, 2001, and came into force on June 3. Virtually identical to the Northwest Territories' Bill 21 (see Summer 2001 issue of the *Workplace Gazette*), this Act increased the maximum period of parental leave pertaining to the birth or adoption of a child from 12 to 37 consecutive weeks. It also repealed provisions that previously allowed, in some circumstances, a five-week leave extension for the parents of children suffering from a physical, psychological or emotional condition. The maximum period of combined pregnancy and parental leave has been set at 52 weeks.

The Act also included measures designed to allow employees who were on maternity or parental leave, whose leave had expired or who had already given their employer a written request for leave at the time the changes came into force, to take full advantage of the parental leave extension. This, however, only applied to the parents of children born or adopted after December 31, 2000.

The government of Saskatchewan passed Bill 30, *An Act to amend the Labour Standards Act* which came into force on June 14, 2001.

This Act increased the maximum period of parental leave from 12 weeks to 34 consecutive weeks, in the case of employees entitled to maternity or adoption leave, and to 37 consecutive weeks for other eligible parents. Parental leave can be taken during the period starting 12 weeks before the estimated date of birth or adoption of a child and ending 52 weeks after the actual date of birth or date on which the child came into the employee's care.

In addition, a new clause was added to specify that parental leave is available to parents of newborn as well as to parents of newly adopted children. This means that eligible adoptive parents who are the primary caregivers may take 34 weeks of parental leave

in addition to 18 weeks of adoption leave, for a combined total of 52 weeks. The spouses of primary caregivers who meet eligibility requirements are also entitled to parental leave, for up to 37 weeks.

The *Labour Standards Act* was also amended to require an employee on maternity, parental or adoption leave to provide at least four weeks' notice before the date on which he/she intends to resume employment.

Bill 30 also included transitional provisions. The parents of children born or adopted on or after December 31, 2000, who are taking or whose spouse is taking maternity, adoption or parental leave, are eligible for the extended parental leave, provided they give notice to their employer.

Information on the maximum duration of maternity, parental and adoption leave in each Canadian jurisdiction is provided on the following page.

For additional information on recently adopted or proposed changes to Canadian Labour Laws, please visit the Labour Program Web site at:

<http://labour-travail.hrdc-drhc.gc.ca>

and click on "Canadian Labour Law Information".

MATERNITY, PARENTAL AND ADOPTION LEAVE IN CANADIAN EMPLOYMENT STANDARDS LEGISLATION

Charles Philippe Rochon
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Eligibility Requirements

To qualify for maternity or parental leave, an employee must normally have completed a specific period of continuous employment. However, some provinces – British Columbia, New Brunswick and Quebec – do not require a specific length of service. Ontario requires 13 weeks of service; Newfoundland and Prince Edward Island require 20 continuous weeks; and Saskatchewan requires 20 weeks in the 52 weeks preceding the requested leave. The federal jurisdiction

permits an employee to take the leave after six months of continuous service, and Manitoba after seven months. Alberta, Nova Scotia and the three territories require 12 months of service. In addition, in all jurisdictions, a medical certificate must be provided or may be requested by the employer, and an employee must notify the employer, usually two to four weeks in advance (six weeks in Alberta), of his/her intent to take maternity or parental leave.

**Length of Maternity,
Parental and Adoption Leave
(unpaid) in Employment/
Labour Standards Legislation**

Jurisdiction	Maternity Leave ⁽¹⁾	Parental Leave ⁽¹⁾	Adoption Leave ⁽¹⁾
	(in weeks)		
Federal	17 ⁽²⁾	37 ⁽²⁾	37
Alberta	15	37 ⁽⁴⁾	37 ⁽⁴⁾
British Columbia	17	37 ^{(3),(5)}	37 ⁽⁵⁾
Manitoba	17	37 ⁽⁵⁾	37 ⁽⁵⁾
New Brunswick	17 ⁽²⁾	37 ⁽²⁾	37
Newfoundland	17	35 ⁽⁵⁾	52 ^{(5),(7)}
Northwest Territories	17 ⁽²⁾	37 ^{(2),(5)}	37 ⁽⁵⁾
Nova Scotia	17	52 ^{(3),(5)}	52 ⁽⁵⁾
Nunavut	17	37 ^{(2),(5)}	37 ⁽⁵⁾
Prince Edward Island	17	35	52
Ontario	17	37 ^{(3),(5)}	37 ⁽⁵⁾
Quebec	18	52 ⁽⁵⁾	52 ⁽⁵⁾
Saskatchewan	18	37 ^{(5),(6)}	52 ⁽⁷⁾
Yukon	17	37 ⁽⁴⁾	37 ⁽⁴⁾

Notes:

- ⁽¹⁾ A number of jurisdictions allow maternity and/or parental leave (for natural or adoptive parents) to be extended under certain circumstances, such as late births or health problems of the mother or child.
- ⁽²⁾ In the federal jurisdiction, New Brunswick, Nunavut and the Northwest Territories, the maximum combined duration of maternity and parental leave may not exceed 52 weeks.
- ⁽³⁾ In the case of an employee who has taken maternity leave, the maximum parental leave is 35 weeks.
- ⁽⁴⁾ The Alberta legislation stipulates that there is no requirement to grant parental leave to more than one parent at a time if both parents of a child work for the same employer. In the Yukon, parents who share a parental leave cannot normally take their leave at the same time, whether or not they work for the same employer.
- ⁽⁵⁾ A majority of jurisdictions, namely British Columbia, Manitoba, Newfoundland, Nova Scotia, Ontario, Quebec, Saskatchewan (with respect to parental leave), Nunavut and the Northwest Territories, permit both parents to take the full parental or adoption leave.
- ⁽⁶⁾ In Saskatchewan, an employee who is entitled to maternity or adoption leave may not take more than 34 weeks of parental leave.
- ⁽⁷⁾ In Newfoundland, an eligible employee is entitled to 17 weeks of adoption leave, to which can be added 35 weeks of parental leave. In Saskatchewan, an eligible employee is entitled to 18 weeks of adoption leave if he or she is the adoptive parent who will be the primary caregiver; to these 18 weeks may be added 34 weeks of parental leave. In both provinces, an eligible adoptive parent may therefore take up to 52 weeks of cumulative leave.

READERS' CORNER

Michèle Auger, Fred Longley and Edward Popoff
Library and Information Management Services
Human Resources Development Canada



New Forms of Work Organization

Broad, Dave. **Hollow Work, Hollow Society? : Globalization and the Casual Labour Problem in Canada.** Halifax, N.S.: Fernwood, c2000.
HRDC HD5854.2 C3 B76

More and more people in Canada and other Western countries are working part-time, short-term and other casual jobs. Workers in casual employment generally fare poorly in terms of wages, benefits, job security and working condi-

tions. Broad explains the contemporary casualization of work as integral to global economic restructuring promoted by business and government, and argues that the human impact of

this short-term work trend will "hollow out work and society" as workers lose economic security and social status. He suggests alternatives to the trend of jobless economic growth.

Corwin, Vivien, Thomas B. Lawrence, and Peter J. Frost. **"Five Strategies of Successful Part-Time Work."** *Harvard Business Review* 79:7 (July/August 2001), pp. 21-27.
HRDC PER

About 10 per cent of American professionals now work part-time. The strategies presented in this article are: making work-life priorities and plans clear to the

organization; showing how their arrangement will be nondisruptive; establishing routines to protect time at work and at home; cultivating champions in senior

management; and reminding colleagues of one's importance to the organization.

Nonstandard Work: the Nature and Challenges of Changing Employment Arrangements.
Industrial Relations Research Association series. Edited by Françoise Carré, et al.
Champaign, Ill.: Industrial Relations Research Association, 2000.
HRDC HD5106 N66 2000

The contributors analyze the extent and nature of various nonstandard work arrangements in the United States; their advantages and disadvantages for employees and employers; the demographic,

industrial and occupational distribution of such positions; and the question of whether standard employment itself is changing. Some contributors discuss how

innovative labour market intermediaries and unions might expand opportunities for workers while helping firms raise their productivity.

Pillinger, Jane. **Working Time in Europe: a European Working Time Policy in The Public Services.**
Report (European Trade Union Institute); 63. Brussels: European Trade Union Institute, 2000.
HRDC HD5164.5 P54

Dr. Pillinger prepared this report on public service working time arrangements for the European Federation of Public Service Unions. In an analysis of European collective agreements and government policy, she shows current trends and innovations in working time and develops these into a European public service union working time policy, emphasizing the importance placed by the unions on the redistribution of working time to create and preserve jobs.

Telecommuting and Virtual Offices: Issues and Opportunities. Edited by Nancy J. Johnson.
Hershey, USA: Idea Group, c2001.
HRDC HD2336.3 T34

Practitioners and academics from Canada, the United States and Europe provide answers and guidance for problems associated with the introduction of telework, from the perspective of the employee, the employer and the community. Areas examined include the international virtual office, safety and health issues, managing the virtual team, and the effects of telework on the individual and the organization.

Vosko, Leah F. **Temporary Work: the Gendered Rise of a Precarious Employment Relationship.** Studies in comparative political economy and public policy. Toronto: University of Toronto Press, c2000.
HRDC HD5854.2 C3 V67

Traces the historical evolution of the temporary employment relationship in Canada in its international context, and explores how and to what extent temporary work is becoming the norm for several groups of workers, particularly women workers. Examines the challenge that the temporary employment relationship poses to the existing framework of workers' social protections, and considers prospects for organizing temporary help workers.

SPECIAL ISSUE

"Work Arrangements in the New Economy." Monthly Labor Review 124:3 (March 2001), pp. 3-75.
HRDC PER

- Hipple, Steven. "Contingent Work in the Late-1990s." pp. 3-27.

The incidence of contingent work in the United States changed little between 1997 and 1999.

- DiNatale, Marisa. "Characteristics of and Preference for Alternative Work Arrangements, 1999." pp. 28-49.

The proportion of workers who prefer alternative work arrangements has increased since the mid 1990s.

- Golden, Lonnie. "Flexible Work Schedules: What Are We Trading Off to Get Them?" pp. 50-67.

Workers sometimes must be willing to sacrifice leisure time, compensation or a predictable workweek in return for flexible schedules.

- Gariety, Bonnie Sue and Sherrill Shaffer. "Wage Differentials Associated with Flextime." pp. 68-75.

In an analysis of the United States Current Population Survey, significant wage differentials for men and women emerge for selected motivations, industries and occupations.

NOTES

1. For other available references in French language only, see the French version of the Workplace Gazette / Gazette du travail.
2. Human Resources Development Canada employees can borrow these items from the Departmental Library. Others can borrow them through their own library.

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YESTERDAY AND TODAY

Performance-Based Pay

Suzanne Payette
Workplace Information Directorate
Labour Program, Human Resources Development Canada

Fifty Years Ago...

The November issue of the Labour Gazette (page 1520) reported on an International Labour Organization meeting of experts on Payment-by-Results or Performance-Based Pay, both at the individual and group level, but excludes profit sharing, stock participation, seniority allowances, length of service bonuses and proportional wages.

At that time, it was agreed that an increase in productivity led to an increase in the welfare of the workers and wage earners and that an effective application of performance-based systems would stimulate production and productivity. It was emphasized that such systems would only be effective where good industrial relations between employer and employee prevailed and where the interests of the workers were safeguarded.

The experts recommended that the introduction of performance-based schemes should be the subject of collective bargaining because frequently, such a scheme had been initiated by the employer merely as a means of lowering production costs and had resulted in disputes and hostility on the part of employees.

They also recommended that performance-based plans should be part of a program which had as its objectives the raising of production, the improvement of productivity and the lowering of costs with the purpose of making possible for the employees, increased earnings and a higher standard of living.

"... such methods would yield full benefits only if all steps were taken before and during the introduction of the new scheme to make improvements to the production process, the equipment and to the production control methods in use..." In general, less direct supervision was required to maintain reasonable levels of output than under payment by time and that *"attention could be directed more to the quality of the*

product and to the factors affecting the output..." The worker was more encouraged to reduce lost time and to use equipment more effectively and efficiently. With improved organization and work measurement, it was estimated that performance-based payments would facilitate improved accuracy in estimating labour costs and thereby the use of standard costing and budgetary control methods.

The experts urged that the health and safety of the workers would be protected by setting the tasks at reasonable levels, by guaranteeing an adequate minimum wage and by enforcement of suitable safety regulations.

Two final recommendations were that a guarantee be given of minimum earnings for any period in which production was curtailed due to causes beyond the workers' control and that as many workers as possible in the establishment should be included in the scheme to avoid any ill feeling over differences in opportunities for increased earnings.

Today...

The debate on the positive outcomes of performance-based pay both at the individual and at the group level continues along the exact same lines. That an increase in productivity leads to an increase in the welfare of workers and wage earners is exemplified in gain-sharing plans, where cost reductions are shared among employees. That the introduction of such schemes be the subject of collective bargaining is still very much upheld by labour organizations when they are willing to entertain the plan. Safety and health issues are still a concern in organizations modifying the pace and also the standards of production and support for appropriate health and safety enforcement are taken into consideration.

While the number of organizations reporting performance-based pay has increased in the last 50 years, and more so in the last decade, it is still far from an organizational norm. Moreover, the introduction and sustainability of performance-based pay in unionized organizations is more the exception than the rule in both private and public sector organizations.

Whereas the objectives and conditions necessary for the introduction and maintenance of performance-based pay systems are reasonable tenets, the conditions necessary for their implementation are more difficult to create and to meet with organizational and business strategies. These circumstances make a more difficult sell to all stakeholders.

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Wage Settlements Bulletin

A monthly publication providing the most up-to-date information and analysis of major wage developments in collective bargaining in Canada. The Bulletin is a valuable and recognized reference source providing statistical and analytical information illustrated with useful charts and tables on recent wage developments in Canada. The aggregate data and details are published in the following groupings: public and private sectors, regions and jurisdictions, and major industry groups. Annual subscription: Canada, \$200 plus 7% GST (\$214); other countries, U.S. \$200. (Available by e-mail, by mail or by fax).

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A quarterly publication providing data on wage adjustments from major collective bargaining settlements by public and private sectors, by region, by jurisdiction and by major industry; detailed analysis of selected provisions in major agreements; information on innovative workplace practices in Canada resulting from collective bargaining; a quarterly calendar of major collective agreement expiries and reopeners; and, a chronological perspective on work stoppages in Canada. It also features articles or case studies on pertinent industrial relations matters. Annual subscription: Canada, \$125 plus 7% GST (\$133.75); other countries, U.S. \$125.

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- Union Bargaining
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the Social Science Employees Association and the Public Service
Alliance of Canada.*

AT A GLANCE

The *Workplace Gazette* presents a wide range of information and analysis to meet the ever-changing needs of the industrial relations community. Its purpose is to provide a sound base for research in support of the bargaining process.

The *Workplace Gazette* includes information and analysis on wage adjustments, collective agreement provisions, innovative workplace practices, work stoppages, upcoming key negotiations and other related topics.

This issue includes the third quarter data for 2001 on wage adjustments in major collective agreements, both current and historical by public and private sectors, by region, by jurisdiction and by major industry. Also included, is a listing of major settlements reached in the third quarter of 2001; highlights from our annual collective bargaining forecast; an overview of selected provisions featured in current collective agreements, as well as information on work stoppages for the third and second quarters of 2001.

Innovative practices in the workplace resulting from collective bargaining are summarized. Labour and business perspectives on Canada's skills challenges are described, based on results from a major survey undertaken by the Canadian Labour and Business Centre.

Statistics on union bargaining priorities and perceived success were derived from the latest survey of labour organizations in Canada and analyzed by P. Kumar and G. Murray. The issue of labour-management relations as perceived by business and labour representatives is described by T. Wagar. J. Bélanger extensively reviews research on the influence of employee involvement on productivity. Finally, R. Adams provides a brief introduction to international labour law and its implications for Canadian policy and practice.

Recent changes in Canadian Labour Laws focus on adopted bills, regulations and other statutory instruments. Yesterday and Today focusses on contract duration.

The departmental library is featuring a selected annotated bibliography on work-life balance.

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MAJOR WAGE SETTLEMENTS* – THIRD QUARTER 2001

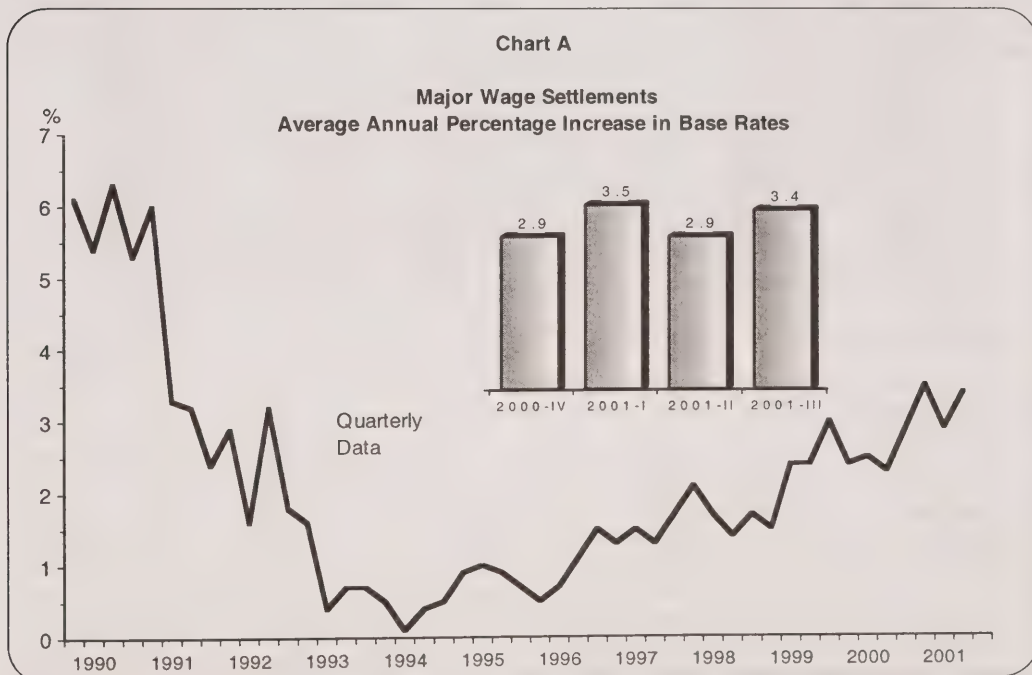
Summary

- Base-rate wage increases for the **third quarter of the year 2001** averaged **3.4 per cent**
- Wage adjustments in third-quarter **public-sector** settlements averaged **3.6 per cent**. In the **private sector**, wage adjustments averaged **3.2 per cent**
- Alberta recorded the largest wage gains at 5.1 per cent
- On an industry basis, the largest concentration of employees was in **construction** (with 40 per cent of all employees) and wage adjustments in this sector averaged **3.3 per cent**

Overview

Major collective bargaining settlements reached in the **third quarter of the year 2001** provided base-rate wage increases averaging **3.4 per cent** annually over the contract-term, up from 2.9 per cent in the second quarter but still fractionally lower than the 3.5 per cent figure in the first quarter of 2001. The 3.4 per cent gain in the third quarter of the year 2001 still remains below the most recent annual peak of 5.6 per cent in 1990.

The results for the third quarter 2001 are based on a review of 86 settlements covering 230,060 employees. When the parties to these settlements previously negotiated, the resulting wage adjustments averaged 1.8 per cent.



Source: Workplace Information Directorate

* Major settlements are those involving bargaining units of 500 or more employees. All wage rate adjustments over the term of these agreements, including those arising from cost-of-living clauses (COLA), are taken into account. The yield of such COLA clauses is estimated on an assumed 2.0 per cent annual increase in the Consumer Price Index.

Several large health sector settlements, including some nursing agreements, had a large impact on this quarter's wage figure. There is also higher settlement activity in the construction sector.

Since 1993, average wage adjustments in the private sector had generally been above those in the public sector, although the gap had been narrowing since late 1997. However since early 2000, public sector increases have generally been higher than those in the private sector.

Distribution by Size of Wage Adjustments

The overall size of wage adjustments has trended upwards moderately since 1994. With the increasing size of wage adjustments there has been a corresponding decline in the incidence of wage freezes and wage cuts. In 1994, nearly two-thirds of all employees were subject to wage freezes or cuts. By last year, that proportion had dropped to 0.8 per cent of all employees; a fractionally lower percentage (0.7 per cent of all workers) of employees in a single settlement reached in the first quarter of this year were subject to a wage freeze (Montréal firefighters). There were no wage cuts.

In the third quarter 2001, a very large concentration of employees received wage increases in the 3.0 to 3.9 per cent range; 37.1 per cent of all employees obtained wage adjustments in that range. Just slightly above 33 per cent of employees received increases of 2.0 to 2.9 per cent; therefore, over two-thirds of all employees received increases ranging from 2.0 to 3.9 per cent. About 2.0 per cent of employees received increases below the 2.0 per cent level; while slightly over 26 per cent of employees received increases of 4.0 per cent to 6.7 per cent.

Public and Private Sectors

Public sector increases were slightly higher than those in the private sector. Wage adjustments for 123,930 employees in 54 third-quarter **public-sector** settlements averaged **3.6 per cent**, higher than the previous quarter average of 2.8 per cent yet still slightly lower than the first quarter 2001 average of 3.8 per cent.

In the **private sector**, 32 settlements reached in the third quarter provided wage adjustments averaging **3.2 per cent** for 106,130 employees, up slightly from the 2.9 per cent average in the previous quarter and the 2.4 per cent average in the first quarter.

Table 1
Distribution of Agreements and Employees
by Size of Wage Adjustments, Third Quarter 2001

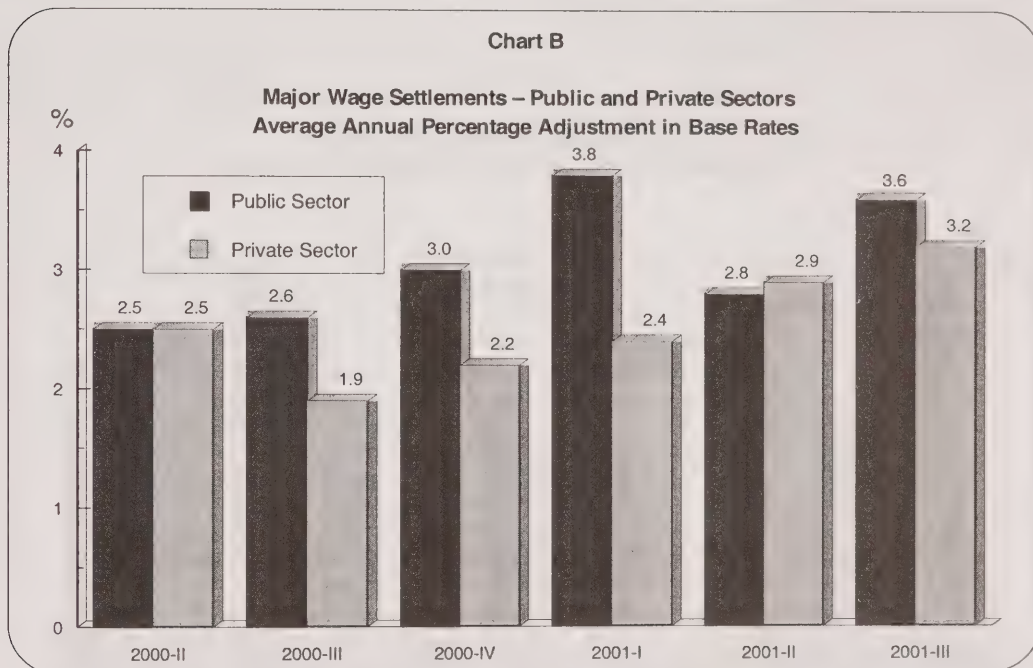
Adjustment Range	Agreements		Employees	
	Number	Percentage	Number	Percentage
0% (No Increase)	1	1.2	1,570	0.7
Over 0.0% to 0.9%	2	2.3	1,840	0.8
1.0% to 1.9%	5	5.8	3,060	1.3
2.0% to 2.9%	34	39.5	77,830	33.8
3.0% to 3.9%	26	30.2	85,460	37.1
4.0% to 4.9%	8	9.3	10,370	4.5
5.0% to 5.9%	8	9.3	42,430	18.4
6.0% to 6.9%	2	2.3	7,500	3.3
ALL LEVELS	86	100.0	230,060	100.0

Note: Due to rounding, sums may not always equal totals.

Source: Workplace Information Directorate

The majority of these public sector settlements were in the health sub-sector (30 of 54 public-sector contracts), followed by local administration settlements (15 municipal contracts). The Atlantic Provinces averaged the largest wage adjustments at 4.4 per cent. This was due in part to the above average wage increases received by the Newfoundland public service (5.0 per cent) and the Nova Scotia nurses (5.7 per cent). In British Columbia, 26,000 nurses received increases averaging 5.6 per cent.

In the private sector, the largest concentration of employees involved in third-quarter settlements were in the Quebec construction industry (61.5 per cent of private-sector employees). Wage adjustments in the Quebec construction sector averaged 2.9 per cent. The largest private sector increases were in Alberta averaging 6.3 per cent (all in the construction industry).



Source: Workplace Information Directorate

Wage Adjustments by Region/Jurisdiction

On a regional /jurisdictional basis, third-quarter 2001 wage settlements were largest in the Atlantic Provinces, with wage adjustments averaging 4.4 per cent; the larger wage increases were due in a large part to the nursing settlements (5.7 per cent) in Nova Scotia, mentioned previously, and the Newfoundland public-sector settlements (5.0 per cent).

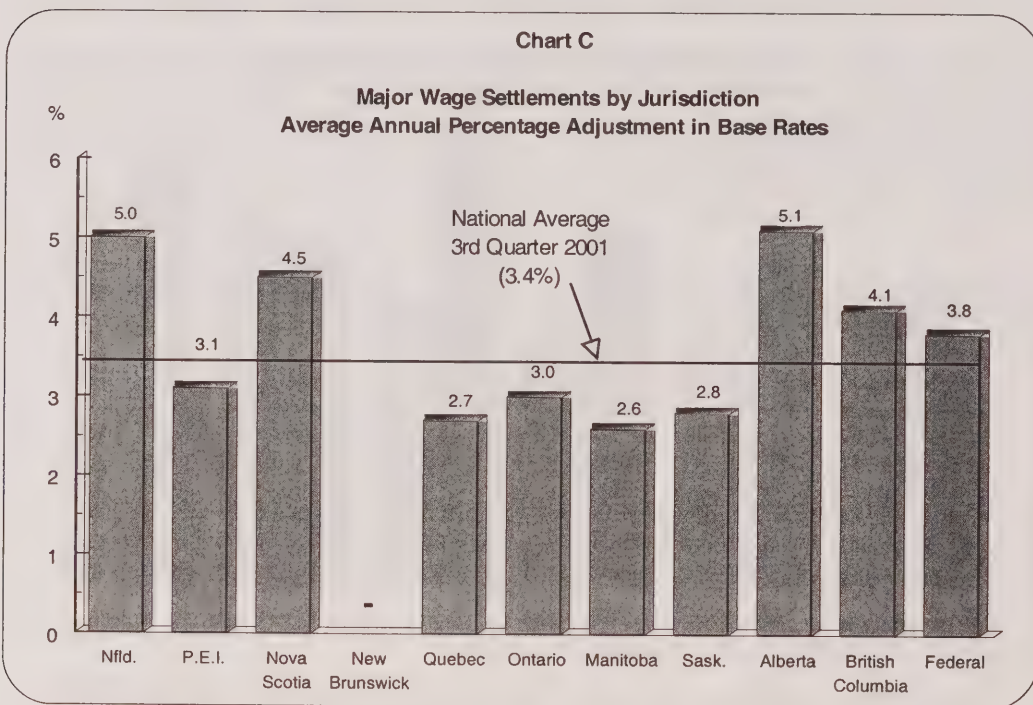
The second largest average wage settlements were in the Prairie Provinces and British Columbia, both with adjustments averaging 4.1 per cent (the Prairies with 16 contracts covering 35,690 workers and British Columbia with 10 contracts covering 46,900 workers). The largest concentration of employees covered in third-quarter settlements in the Prairie region was in Alberta, which recorded the largest average

wage gains at 5.1 per cent. These larger wage increases take into account the lucrative Alberta construction settlements (averaging 6.3 per cent) mentioned previously. In British Columbia, 26,000 nurses received wage increases averaging 5.6 per cent.

Quebec wage increases averaged 2.7 per cent. This province had the largest concentration of employees covered under third-quarter settlements because of the construction agreements. There were 12 major settlements covering 77,860 employees.

In Ontario, 32 agreements provided 39,840 employees with wage increases averaging 3.0 per cent; interestingly, both public and private sectors in Ontario averaged 3.0 per cent. The vast majority of these public sector agreements were in the education sub-sector.

In the Federal jurisdiction, six agreements provided 7,360 employees with wage gains averaging 3.8 per cent. There was also one multiprovince agreement providing 4,500 employees with a wage increase of 2.6 per cent.



Source: Workplace Information Directorate

Wage Adjustments by Industry

On an industry basis, the largest average wage adjustments were in the **information and cultural** sector with a single agreement with Telus Communications providing 1,120 employees with a wage gain of **4.2 per cent**.

The largest concentration of employees (40 per cent) was in the **construction** sector with 92,810 workers in 16 agreements receiving wage increases averaging

3.3 per cent. Wage increases in this sector ranged from 1.2 per cent for 600 electricians in Manitoba, to a high of 6.7 per cent for 3,500 electricians in Alberta.

The largest number of agreements (30 out of a total of 86 contracts) were settled in the **education, health and social services** sector. They provided 77,620 employees with wage adjustments averaging **3.9 per cent**. Wage increases in this sector ranged from

0.9 per cent for 1,240 office and technical employees with the Board of School Trustees, Division No. 39 in Vancouver, to 5.7 per cent for 6,040 nurses in two agreements in Nova Scotia.

In **public administration**, 19 settlements provided 39,460 employees with increases averaging **3.0 per cent**. Wage increases ranged from a wage freeze for 1,570 firefighters with the City of Montréal to 5.0 per cent for 4,940 public servants with the Government of Newfoundland.

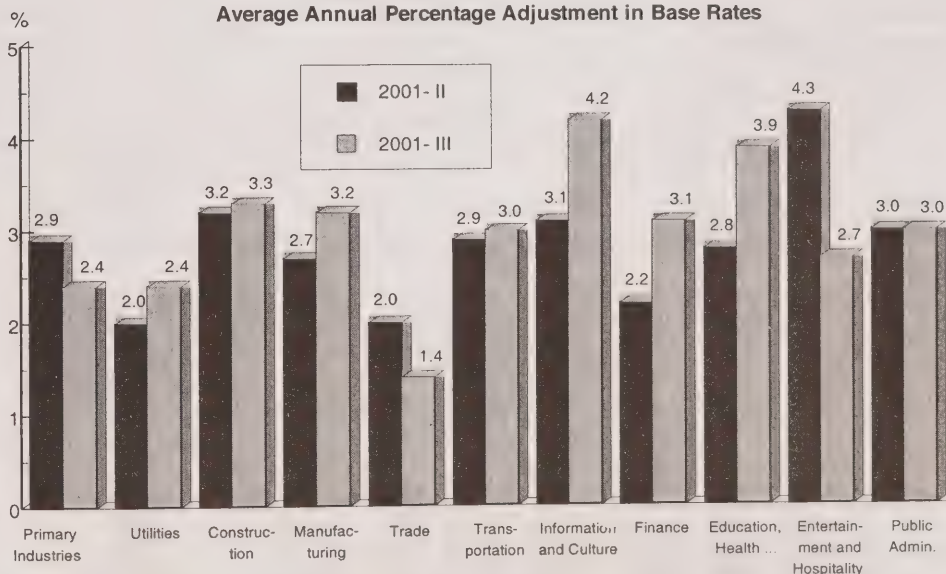
In **manufacturing**, six agreements provided 5,520 employees with wage increases averaging **3.2 per cent**. Wage increases ranged from an increase of 0.5 per cent for 600 production employees of Corus in

Quebec, to a high of 4.4 per cent for 2,040 plant employees at Cami Automotive Inc.

In the **finance** sector, there were three major settlements providing 2,750 employees with wage increases averaging **3.1 per cent**. In **transportation**, six agreements provided 7,310 employees with wage increases averaging **3.0 per cent**. The remaining industry sectors had increases below 3.0 per cent and all had a relatively light employee coverage: a single agreement in the **entertainment and hospitality** sector provided a wage increase of **2.7 per cent**. In **primary industries**, another single agreement averaged **2.4 per cent**, and while the **utilities** sector figure also stood at **2.4 per cent**. The lowest average increase by industry was recorded in the **trade** sector, at **1.4 per cent**.

Chart D

Major Wage Settlements by Industry
Average Annual Percentage Adjustment in Base Rates



Source: Workplace Information Directorate

COLLECTIVE BARGAINING FORECAST – 2002

In December of each year, the Workplace Information Directorate undertakes a "forecasting" exercise to estimate the wage outcomes of collective bargaining for the coming year.

The forecast data are developed using internal and external expertise and individual forecasts are aggregated and weighted based on employee coverage for major collective agreements (more than 500 employees) likely to be settled in 2002.

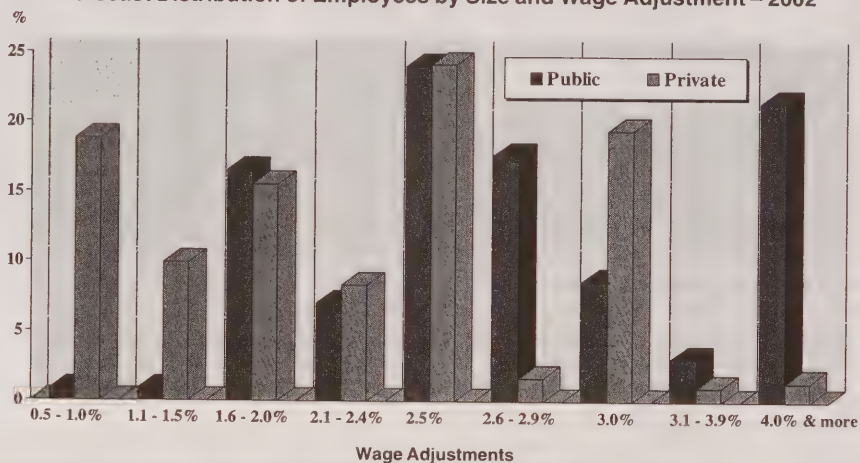
Highlights of 2002 Forecast

Overall wage adjustment	2.7%	Number of major agreements to settle	405
• Private sector	2.1%	Number of employees covered	912,390
• Public sector	2.9%	Projected Consumer Price Index	2.0%

Forecast Average Increases by Industry Group

Primary Industries	4.1%	Finance, Real Estate and Management Services	2.5%
Utilities	3.1%	Education, Health and Social Services	3.2%
Construction	3.0%	Entertainment and Hospitality	2.0%
Manufacturing	2.2%	Public Administration	2.5%
Wholesale and Retail Trade	1.4%		
Transportation	2.0%		
Information and Culture	2.6%		
		All Industries	2.7%

Forecast Distribution of Employees by Size and Wage Adjustment – 2002



Source: Workplace Information Directorate

Other Forecasts

<i>Organizations</i>	<i>Forecast Average Increases</i>	
Hewitt & Associates*	Unionized 2.9%	- -
Aon Consulting*	Unionized 2.4% to 2.6%	Regional Rates 2.5% to 3.6%
Institut de la statistique Québec*	Unionized 2.5%	
Morneau Sobeco*	Unionized 2.9%	Management 3.7%
Hay Group*	On average 2.3% to 2.7%	Trades Workers 2.8%
Mercer Consulting Group*	Non-unionized 2.2% to 2.7%	- -
Towers Perrin*	Salaried Employees 3.4%	Professionals and Management 3.5%
Watson Wyatt Worldwide*	Hourly workers 3.0%	Middle Management 3.5%
The Conference Board of Canada	Public Sector 3.5%	Private Sector 2.2% to 2.5%

* Analyses and data from the following organizations: Hewitt & Associates, AON Consulting, Hay Group, Mercer Consulting Group, Towers Perrin and Watson Wyatt Worldwide are taken from file called *Les prévisions salariales 2002, où en est-on exactement?* published by l'Ordre des conseillers en ressources humaines et en relations industrielles agréés du Québec (www.portail-rhi.com), December 7, 2001.

Calendars of Collective Agreements Expiries and Reopeners

*Coming soon, the 2002 Calendar listings for
MAJOR and SMALL Bargaining Units*

*2001 Calendar of Major Bargaining Units is available on the
Workplace Information Directorate Web site at*

<http://labour.hrdc-drhc.gc.ca/doc/wid-dimt/eng/expreo.cfm>

MAJOR SETTLEMENTS REACHED IN THE THIRD QUARTER 2001

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Primary Industries (1 agreement)	670	2.4	2.0	60.0	
Fording Coal Limited, mine employees, Fording River, B.C.	670	2.4	2.0	60	2006-04-30
Utilities (2 agreements)	1,300	2.4	1.7	29.9	
B.C. Gas Utility Ltd., office and clerical employees, province-wide, B.C.	660	1.8	0.0	24	2002-03-31
SaskPower, administrative services employees, province-wide, Sask.	640	3.0	3.5	36	2004-01-31
Construction (16 agreements)	92,810	3.3	3.4	34.5	
Alberta Construction Labour Relations Association, labourers, province-wide, Alta.	3,200	5.6	6.2	24	2003-04-30
Alberta Construction Labour Relations Association, operating engineers, province-wide, Alta.	600	5.6	6.2	24	2003-04-30
Alberta Construction Labour Relations Association, plumbers and pipefitters, province-wide, Alta.	4,000	6.6	6.8	24	2003-04-30
Association de la construction du Québec, construction trades-all, province-wide, Que.	31,720	3.0	3.0	36	2004-04-25
Association de la construction du Québec, construction trades-all, province-wide, Que.	13,990	3.0	3.0	36	2004-04-25
Association des constructeurs de routes et grands travaux du Québec, construction trades-all, province-wide, Que.	8,480	3.4	4.3	36	2004-04-25
Association of Millwrighting Contractors of Ontario Inc., millwrights, province-wide, Ont.	1,700	2.6	2.6	36	2004-04-30
Association of Provincial Housing Contractors of Quebec, construction trades-all, province-wide, Que.	11,070	2.0	2.0	36	2004-04-25
Boilermaker Contractors' Association, boilermakers, Canada-wide (excl. Que., B.C. and Y.T.)	4,500	2.6	2.8	36	2004-06-30
Construction Labour Relations Association of Manitoba, electricians, province-wide, Man.	600	1.2	-0.4	36	2004-04-30
Electrical Contractors Association of Alberta, electricians, province-wide, Alta.	3,500	6.7	6.9	24	2003-04-30
Greater Toronto Sewer and Watermain Contractors Association, heavy equipment operators, Toronto, Ont.	750	3.5	4.2	36	2004-04-30
Greater Toronto Sewer and Watermain Contractors Association, labourers, Toronto, Ont.	1,000	3.7	4.5	36	2004-04-30
Masonry Industry Employers Council of Ontario, bricklayers, province-wide, Ont.	3,500	2.7	2.7	36	2004-04-30
National Elevator and Escalator Association, elevator constructors, province-wide, Ont.	1,200	2.8	2.8	36	2004-04-30
Operating Engineers Employer Bargaining Agency, operating engineers, province-wide, Ont.	3,000	2.9	3.7	36	2004-04-30
Manufacturing (6 agreements)	5,520	3.2	3.1	45.0	
CAMI Automotive Inc., plant and maintenance employees, Ingersoll, Ont.	2,040	4.4*	3.8	36	2004-09-19
CORUS, plant and maintenance employees, Cap-de-la-Madeleine, Que.	600	0.5	0.0	24	2004-01-31

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Manufacturing (continued)					
Cargill Foods, Division of Cargill Foods Limited, production employees, Etobicoke, Ont.	780	2.8	3.6	72	2007-09-23
Christie Brown and Co., Division of Nabisco Ltd., production employees, Toronto, Ont.	600	2.5	2.0	48	2005-04-30
QIT-Fer et Titane inc., plant and maintenance employees, Sorel, Que.	900	2.4*	2.7	60	2006-04-29
Siemens Canada Limited Automotive Systems (NAMO), plant and maintenance employees, London, Ont.	600	4.4*	4.6	36	2004-07-15
Wholesale and Retail Trade (1 agreement)	700	1.4	1.3	48.0	
Great Atlantic and Pacific Company of Canada Limited, retail employees, Northern, Ont.	700	1.4	1.3	48	2005-07-07
Transportation (6 agreements)	7,310	3.0	3.3	37.6	
CANPAR Transport Ltd., truck drivers, system-wide	1,300	3.0	3.0	36	2004-10-31
Canadian Freightways Limited, truck drivers, province-wide	570	1.8	1.5	48	2004-12-31
Coast Mountain Bus Company, bus drivers, Vancouver, B.C.	3,360	2.8	2.5	36	2004-03-31
Globeground North America, Vancouver Airport, hourly-rated employees, Vancouver International Airport, B.C.	650	3.3	8.3	44	2004-08-31
Via Rail Canada Inc., non-operating employees, system-wide	890	4.3	4.5	36	2003-12-31
Via Rail Canada Inc., sleeping, dining and parlour car employees, system-wide	540	3.4	3.5	36	2003-12-31
Information and Culture (1 agreement)	1,120	4.2	4.2	12.0	
TELUS Communications (Québec) Inc., tradesmen, province-wide, Que.	1,120	4.2	4.2	12	2001-12-31
Finance, Real Estate and Management Services (3 agreements)	2,750	3.1	3.8	33.8	
Inner-Tec Security Consultants Limited, security guards, Winnipeg, Man.	500	4.5	6.2	24	2003-06-30
Saskatchewan Government Insurance, office and clerical employees, Regina, Sask.	1,420	3.0	3.5	36	2003-12-31
Securitas Canada Limited, security guards, Southwestern, Ont.	830	2.3	2.9	36	2004-05-31
Education, Health and Social Services (30 agreements)	77,620	3.9	4.6	31.6	
Board of Governors of Ryerson Polytechnic University, office and clerical employees, Toronto, Ont.	530	1.8	1.5	36	2004-06-30
Board of School Trustees of School District No. 39, office and clerical employees, Vancouver, B.C.	1,240	0.9	2.0	30	2003-06-30
Calgary Roman Catholic Separate School District No. 1, elementary and secondary teachers, Calgary, Alta.	2,640	3.4	3.4	12	2001-08-31
Capital District Health Authority, health and social care professionals, province-wide, N.S.	2,800	2.5	3.5	36	2003-10-31
Capital District Health Authority, nurses, province-wide, N.S.	2,100	5.7	7.0	36	2003-10-31
Durham Catholic District School Board, elementary teachers, Oshawa, Ont.	1,030	2.3	2.0	24	2002-08-31
Government of Prince Edward Island, elementary and secondary teachers, province-wide, P.E.I.	1,500	3.2	3.3	36	2004-06-30
Government of Saskatchewan, non-medical employees, province-wide, Sask.	620	3.0	3.0	36	2003-09-30

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Education, Health and Social Services (continued)					
Governors of the University of Calgary, instructors/tutors/lecturers, Calgary, Alta.	1,720	4.1	4.1	12	2002-06-30
Hamilton-Wentworth Catholic District School Board, secondary teachers, Hamilton, Ont.	670	2.8	3.0	24	2003-08-31
Hamilton-Wentworth District School Board, secondary teachers, Hamilton, Ont.	1,200	2.5	2.5	12	2002-08-31
Health and Community Services Agency and Regional Health Authorities, non-medical employees, province-wide, P.E.I.	800	3.1	3.0	36	2004-03-31
Health Employers Association of British Columbia, nurses, province-wide, B.C.	26,000	5.6*	7.2	36	2004-03-31
Health Employers Association of British Columbia, para-medical professional employees, province-wide, B.C.	10,800	2.0*	2.0	36	2004-03-31
Lambton-Kent District School Board, elementary teachers, Sarnia, Ont.	900	2.1	2.4	36	2004-08-31
Leisureworld Inc., non-medical employees, Toronto, Ont.	680	3.2	2.0	24	2000-12-31
McMaster University, support employees, Hamilton, Ont.	1,650	5.4	8.4	24	2003-06-15
Nova Scotia Association of Health Organizations, nurses, province-wide, N.S.	3,940	5.7	7.0	36	2003-10-31
Ontario Council of Regents for Colleges of Applied Arts and Technology, academic staff, province-wide, Ont.	6,500	3.0	3.0	24	2003-08-31
Regional Health Authorities of Prince Edward Island, health and social care professionals, province-wide, P.E.I.	1,300	3.0	2.5	36	2003-03-31
Regional Municipality of Durham, service and maintenance employees, Whitby, Ont.	730	3.0	3.0	36	2004-03-31
Toronto Catholic District School Board, educational services, Toronto, Ont.	780	2.0	2.0	12	2001-08-31
Toronto District School Board, professionals employees, Toronto, Ont.	500	2.5	1.9	24	2002-08-31
Université du Québec à Hull, teaching assistants, Hull, Que.	560	4.5	-0.0	48	2003-05-31
University of British Columbia, professors, Vancouver, B.C.	1,900	2.0	2.0	36	2004-06-30
Versa-Care Limited, non-medical employees, Sarnia, Ont.	650	2.9	2.5	36	2003-12-31
Windsor-Essex Catholic District School Board, elementary teachers, Windsor, Ont.	1,000	3.0	3.0	12	2002-08-31
York Region District School Board, office and clerical employees, Aurora, Ont.	1,130	2.9	3.4	24	2003-08-31
York Region District School Board, service and maintenance employees, Aurora, Ont.	600	2.7	3.1	24	2003/08/31
York University, professors, Toronto, Ont.	1,150	2.3	2.0	24	2003/04/30
Entertainment and Hospitality (1 agreement)	800	2.7	3.0	36.0	
Pacific National Exhibition, service and maintenance employees, Vancouver, B.C.	800	2.7	3.0	36	2003/12/31
Public Administration (19 agreements)	39,460	3.0	2.9	28.5	
Canada Customs and Revenue Agency, computer operators, Canada-wide	2,940	4.4	2.5	24	2002-04-30
City of Calgary, outside employees, Calgary, Alta.	3,040	3.5	3.5	24	2002-12-31
City of Calgary, police officers, Calgary, Alta.	1,300	3.7	3.5	24	2001-12-31
City of London, outside employees, London, Ont.	700	3.0	3.0	36	2003-12-31
City of Montréal, administrative services employees, Montréal, Que.	510	2.0	2.0	9	2001-12-31

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Public Administration (continued)					
City of Montréal, firefighters, Montréal, Que.	1,570	0.0	0.0	12	2001-12-31
City of Montréal, inside employees, Montréal, Que.	3,080	2.0	2.0	10	2001-12-31
City of Montréal, outside employees, Montréal, Que.	4,360	2.0	2.0	8	2001-12-31
City of Saskatoon, inside employees, Saskatoon, Sask.	1,380	3.0	3.0	36	2003-12-31
City of Vancouver, firefighters, Vancouver, B.C.	820	2.9	2.9	36	2002-12-31
City of Winnipeg, administrative services employees, Winnipeg, Man.	670	2.4*	2.3	36	2003-10-11
Government of Newfoundland and Labrador, general services employees, province-wide, Nfld.	3,560	5.0	5.0	36	2004-03-31
Government of Newfoundland and Labrador, service and maintenance employees, province-wide, Nfld.	1,380	5.0	5.0	36	2004-03-31
Government of Quebec, engineers, province-wide, Que.	1,020	3.5	1.5	48	2002/06-30
Government of Saskatchewan, inside and outside employees, province-wide, Sask.	9,860	2.7	3.0	36	2003-09-30
Halifax Regional Municipality, outside employees, Halifax, N.S.	530	2.3	3.0	48	2004-10-31
Ottawa Police Services Board, police officers, Ottawa, Ont.	980	2.9	2.6	48	2003-12-31
Regional Municipality of Durham, inside employees, Whitby, Ont.	980	3.0	3.0	36	2004-03-31
Regional Municipality of Durham Police Services Board, police officers, Oshawa, Ont.	780	3.0	4.3	54	2003-12-31
Agreements with COLA (6 agreements)	41,010	4.4*	5.5	36.5	
Agreements without COLA (80 agreements)	189,050	3.2	3.3	32.0	
All Agreements (86 agreements)	230,060	3.4	3.7	32.8	

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Source: Workplace Information Directorate

A list of settlements of small bargaining units (less than 500 employees) is available on the Workplace Information Directorate Web site:

<http://labour.hrdc-drhc.gc.ca/doc/wid-dimt/eng>

*The **Collective Bargaining Bulletin**, a monthly publication, contains a list of formal and up-to-date summaries of the major settlements shown above.*

Copies of these settlement summaries, available in English and French, can now be obtained by visiting NEGOTECH at <<http://206.191.16.138/gol/>>. These summaries are also available from the Workplace Information Directorate at 1-800-567-6866 or Client Services at (819) 997-3117 or E-Mail: wid-imt@hrdc-drhc.gc.ca or Web Site: <http://labour.hrdc-drhc.gc.ca>

Table 1
Major Wage Settlements, by Public and Private Sectors,
by Year and Quarter

	Public Sector				Private Sector				All Sectors			
	Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.
	(Months)	(Months)	(000's)	(%)	(Months)	(Months)	(000's)	(%)	(Months)	(Months)	(000's)	(%)
Year												
1981	290	18.9	577.6	13.1	210	27.3	323.4	12.6	500	21.9	901.0	13.0
1982	319	14.6	865.1	10.4	189	25.2	282.2	9.5	508	17.2	1,147.3	10.2
1983	458	19.6	1,241.6	4.6	200	25.0	302.8	5.5	658	20.6	1,544.3	4.8
1984	276	17.0	635.2	3.9	283	26.1	521.0	3.2	559	21.1	1,156.2	3.6
1985	316	21.7	566.8	3.8	200	30.1	271.8	3.3	516	24.5	838.6	3.7
1986	321	25.3	709.2	3.6	232	26.0	412.2	3.0	553	25.6	1,121.5	3.4
1987	270	29.4	824.3	4.1	208	31.4	287.0	3.8	478	29.9	1,111.3	4.0
1988	301	24.0	698.6	4.0	241	27.2	484.1	5.0	542	25.3	1,182.7	4.4
1989	294	30.0	736.0	5.2	159	28.6	265.8	5.2	453	29.6	1,001.8	5.2
1990	283	27.4	677.8	5.6	224	29.7	468.5	5.7	507	28.4	1,146.4	5.6
1991	365	16.0	1,121.7	3.4	182	29.2	224.0	4.4	547	18.2	1,345.6	3.6
1992	301	21.7	975.9	2.0	195	32.2	330.9	2.6	496	24.3	1,306.8	2.1
1993	347	23.4	1,012.0	0.6	171	25.2	400.5	0.8	518	23.9	1,412.5	0.7
1994	299	26.5	719.8	-0.0	135	34.5	222.8	1.2	434	28.4	942.6	0.3
1995	215	31.4	629.6	0.6	186	35.9	278.4	1.4	401	32.8	908.0	0.9
1996	212	31.7	564.3	0.5	166	34.7	246.1	1.7	378	32.6	810.4	0.9
1997	220	30.3	370.3	1.1	159	38.1	321.9	1.8	379	33.9	692.2	1.5
1998	221	31.1	646.3	1.6	182	34.4	274.2	1.8	403	32.1	920.5	1.7
1999	217	35.0	506.4	1.9	159	38.4	315.3	2.7	376	36.3	821.8	2.2
2000	296	33.6	913.5	2.5	100	42.8	161.6	2.3	396	35.0	1,075.2	2.5
2001 *	194	29.9	463.2	3.3	115	35.5	245.8	3.0	309	31.8	709.0	3.2
* Year to Date												
Quarter												
1998 I	45	36.4	97.0	2.1	23	33.6	38.3	2.3	68	35.6	135.3	2.1
II	56	32.0	157.5	1.7	71	27.9	111.1	1.7	127	30.3	268.6	1.7
III	52	33.2	186.5	1.2	54	40.9	85.9	1.8	106	35.6	272.4	1.4
IV	68	25.9	205.3	1.7	34	39.9	38.9	2.0	102	28.1	244.2	1.7
1999 I	78	32.5	192.2	1.3	30	38.1	55.7	2.2	108	33.8	247.9	1.5
II	71	37.4	205.0	2.4	54	40.6	64.0	2.5	125	38.2	268.9	2.4
III	33	36.9	50.0	2.3	43	37.5	128.2	2.4	76	37.3	178.2	2.4
IV	35	33.4	59.3	2.1	32	38.3	67.5	3.8	67	36.0	126.7	3.0
2000 I	123	39.9	497.4	2.3	29	31.5	38.6	2.9	152	39.3	536.0	2.4
II	57	21.4	208.6	2.5	29	41.1	34.3	2.5	86	24.2	242.9	2.5
III	41	33.5	77.4	2.6	20	52.2	58.8	1.9	61	41.6	136.2	2.3
IV	75	29.1	130.2	3.0	22	41.0	29.9	2.2	97	31.3	160.1	2.9
2001 I	55	29.3	140.7	3.8	20	35.9	34.1	2.4	75	30.6	174.7	3.5
II	85	29.8	198.7	2.8	63	35.6	105.6	2.9	148	31.8	304.2	2.9
III	54	30.8	123.9	3.6	32	35.2	106.1	3.2	86	32.8	230.1	3.4
IV	-	-	-	-	-	-	-	-	-	-	-	-
Agmts.	-	Number of Agreements										
Dur.	-	Average Agreement Duration										
Empls.	-	Number of Employees										
Avg. Adj.	-	Average Annual Adjustment										

Table 2
Effective Wage Adjustment in Base Rates, by Region/Jurisdiction,
by Year and Quarter

	1998	1999	2000	2000 - 2001			
	(%)	(%)	(%)	4	1	2	3
				(%)	(%)	(%)	(%)
All Sectors							
CANADA	1.7	2.2	2.5	2.9	3.5	2.9	3.4
<i>Atlantic</i>	2.1	2.0	2.6	3.9	3.7	3.8	4.4
Newfoundland	1.3	1.6	3.6	6.3	-	5.0	5.0
Prince Edward Island	2.1	2.7	2.2	-	2.5	-	3.1
Nova Scotia	2.9	2.1	2.2	-	2.0	2.5	4.5
New Brunswick	1.5	2.4	2.8	3.3	4.0	2.0	-
Quebec	1.1	1.6	2.3	2.5	3.9	2.3	2.7
Ontario	1.6	2.2	2.5	2.9	2.9	3.0	3.0
<i>Prairies</i>	2.4	3.0	3.8	3.5	5.2	4.0	4.1
Manitoba	1.4	2.5	2.6	3.3	1.8	2.4	2.6
Saskatchewan	1.8	2.0	3.5	3.6	3.0	3.0	2.8
Alberta	3.0	4.0	4.4	3.4	5.8	4.6	5.1
British Columbia	0.8	0.8	1.6	2.2	2.9	2.1	4.1
Territories	1.0	1.9	2.9	3.2	3.2	3.0	-
Multiprovince	1.7	2.8	2.4	-	-	2.8	2.6
Total Federal	2.1	2.8	2.2	2.3	3.3	3.2	3.8
Public Sector							
CANADA	1.6	1.9	2.5	3.0	3.8	2.8	3.6
<i>Atlantic</i>	2.1	1.8	2.9	4.4	3.9	3.9	4.4
Newfoundland	1.3	1.3	5.3	6.3	-	5.0	5.0
Prince Edward Island	2.1	2.9	2.2	-	2.5	-	3.1
Nova Scotia	3.0	2.3	2.2	-	-	2.1	4.5
New Brunswick	1.5	3.1	3.5	3.8	4.0	2.0	-
Quebec	1.3	1.7	2.3	2.8	4.1	2.1	2.0
Ontario	1.3	1.5	2.6	3.0	3.2	3.1	3.0
<i>Prairies</i>	2.2	2.9	3.8	3.5	5.4	3.2	3.1
Manitoba	1.2	2.5	2.6	3.3	2.2	2.1	2.4
Saskatchewan	1.8	2.2	3.5	3.6	3.0	3.0	2.8
Alberta	2.6	3.8	4.5	3.5	5.9	3.5	3.6
British Columbia	0.7	0.7	1.4	2.2	2.9	2.1	4.2
Territories	1.0	1.9	2.9	3.2	3.2	3.0	-
Multiprovince	-	-	-	-	-	-	-
Total Federal	2.2	2.8	2.2	2.4	3.9	3.3	4.3
Private Sector							
CANADA	1.8	2.7	2.3	2.2	2.4	2.9	3.2
<i>Atlantic</i>	1.8	2.2	1.8	0.0	2.0	3.1	-
Newfoundland	1.9	2.3	2.4	-	-	-	-
Prince Edward Island	-	2.3	-	-	-	-	-
Nova Scotia	1.8	1.9	1.7	-	2.0	3.1	-
New Brunswick	1.7	2.3	1.4	0.0	-	-	-
Quebec	1.0	1.6	2.9	2.0	2.6	2.5	2.9
Ontario	2.1	3.5	2.2	2.3	2.4	2.7	3.0
<i>Prairies</i>	3.2	3.8	3.5	2.1	1.9	4.5	6.0
Manitoba	1.6	3.1	3.2	-	0.6	2.6	2.7
Saskatchewan	1.1	0.8	-	-	-	-	-
Alberta	4.5	5.0	3.8	2.1	2.7	5.3	6.3
British Columbia	1.5	1.3	2.0	2.0	-	1.4	2.5
Territories	-	-	-	-	-	-	-
Multiprovince	1.7	2.8	2.4	-	-	2.8	2.6
Total Federal	1.7	2.8	2.2	2.3	2.7	2.8	3.2

Table 3
Number of Agreements and Employees Covered, by Region/Jurisdiction,
by Year and Quarter

	1998		1999		2000	
	Number of Agreements	Number of Employees (000's)	Number of Agreements	Number of Employees (000's)	Number of Agreements	Number of Employees (000's)
All Sectors						
CANADA	403	920.5	376	821.8	396	1,075.2
<i>Atlantic</i>	42	93.4	22	20.0	19	28.5
Newfoundland	7	25.4	8	9.7	4	5.0
Prince Edward Island	3	3.9	3	2.2	2	1.3
Nova Scotia	18	39.0	6	3.9	4	11.7
New Brunswick	14	25.0	5	4.3	9	10.4
Quebec	53	82.1	38	113.1	95	345.4
Ontario	143	270.1	175	316.9	147	284.4
<i>Prairies</i>	83	134.0	68	141.4	61	109.4
Manitoba	20	22.3	18	38.7	20	29.7
Saskatchewan	12	32.3	14	41.1	4	14.3
Alberta	51	79.4	36	61.6	37	65.4
British Columbia	35	151.8	25	71.9	33	64.4
Territories	1	2.3	2	4.6	3	5.6
Multiprovince	2	7.0	3	2.2	3	2.8
Total Federal	44	179.8	43	151.6	35	234.7
Public Sector						
CANADA	221	646.3	217	506.4	296	913.5
<i>Atlantic</i>	29	81.6	10	10.7	10	20.6
Newfoundland	6	22.9	4	6.6	3	2.0
Prince Edward Island	3	3.9	2	1.5	2	1.3
Nova Scotia	11	33.6	3	2.1	2	10.6
New Brunswick	9	21.1	1	0.6	3	6.7
Quebec	14	23.6	12	25.8	76	322.0
Ontario	78	167.9	115	211.8	102	210.1
<i>Prairies</i>	62	106.5	48	119.3	58	106.8
Manitoba	11	11.7	13	34.2	19	28.6
Saskatchewan	10	30.5	10	36.7	4	14.3
Alberta	41	64.3	25	48.5	35	63.9
British Columbia	15	133.7	13	57.6	25	38.9
Territories	1	2.3	2	4.6	3	5.6
Multiprovince	-	-	-	-	-	-
Total Federal	22	130.7	17	76.5	22	209.5
Private Sector						
CANADA	182	274.2	159	315.3	100	161.6
<i>Atlantic</i>	13	11.8	12	9.3	9	7.8
Newfoundland	1	2.5	4	3.1	1	3.0
Prince Edward Island	-	-	1	0.7	-	-
Nova Scotia	7	5.4	3	1.8	2	1.1
New Brunswick	5	3.9	4	3.7	6	3.7
Quebec	39	58.5	26	87.3	19	23.3
Ontario	65	102.2	60	105.1	45	74.3
<i>Prairies</i>	21	27.5	20	22.1	3	2.6
Manitoba	9	10.5	5	4.6	1	1.1
Saskatchewan	2	1.8	4	4.4	-	-
Alberta	10	15.1	11	13.1	2	1.5
British Columbia	20	18.2	12	14.3	8	25.5
Territories	-	-	-	-	-	-
Multiprovince	2	7.0	3	2.2	3	2.8
Total Federal	22	49.1	26	75.1	13	25.2

Table 3 (continued)
Number of Agreements and Employees Covered, by Region/Jurisdiction,
by Year and Quarter

	2000 - 2001							
	4		1		2		3	
	Number of Agreements	Number of Employees (000's)	Number of Agreements	Number of Employees (000's)	Number of Agreements	Number of Employees (000's)	Number of Agreements	Number of Employees (000's)
All Sectors								
CANADA	97	160.1	75	174.7	148	304.2	86	230.1
<i>Atlantic</i>	4	7.6	3	6.8	10	18.9	9	17.9
Newfoundland	2	1.5	-	-	4	10.5	2	4.9
Prince Edward Island	-	-	1	0.5	-	-	3	3.6
Nova Scotia	-	-	1	0.5	5	5.4	4	9.4
New Brunswick	2	6.1	1	5.8	1	3.0	-	-
Quebec	11	19.4	3	3.3	14	17.7	12	77.9
Ontario	47	62.4	35	64.9	79	137.4	32	39.8
<i>Prairies</i>	15	30.2	19	40.5	19	21.0	16	35.7
Manitoba	3	4.7	4	3.7	6	5.0	3	1.8
Saskatchewan	3	13.8	3	2.9	1	0.7	5	13.9
Alberta	9	11.8	12	33.9	12	15.3	8	20.0
British Columbia	10	12.6	3	36.0	9	67.6	10	46.9
Territories	1	2.5	1	0.7	1	1.3	-	-
Multiprovince	-	-	-	-	4	7.4	1	4.5
Total Federal	9	25.5	11	22.6	12	32.9	6	7.4
Public Sector								
CANADA	75	130.2	55	140.7	85	198.7	54	123.9
<i>Atlantic</i>	3	6.8	2	6.3	8	16.8	9	17.9
Newfoundland	2	1.5	-	-	4	10.5	2	4.9
Prince Edward Island	-	-	1	0.5	-	-	3	3.6
Nova Scotia	-	-	-	-	3	3.3	4	9.4
New Brunswick	1	5.3	1	5.8	1	3.0	-	-
Quebec	5	12.6	2	2.8	7	8.3	6	11.1
Ontario	40	54.1	26	45.1	47	74.1	20	23.1
<i>Prairies</i>	14	29.6	17	37.9	9	8.2	10	23.3
Manitoba	3	4.7	3	2.7	2	1.5	1	0.7
Saskatchewan	3	13.8	3	2.9	1	0.7	5	13.9
Alberta	8	11.2	11	32.3	6	6.0	4	8.7
British Columbia	9	11.1	3	36.0	6	64.8	6	44.1
Territories	1	2.5	1	0.7	1	1.3	-	-
Multiprovince	-	-	-	-	-	-	-	-
Total Federal	3	13.3	4	11.9	7	25.1	3	4.4
Private Sector								
CANADA	22	29.9	20	34.1	63	105.6	32	106.1
<i>Atlantic</i>	1	0.8	1	0.5	2	2.1	-	-
Newfoundland	-	-	-	-	-	-	-	-
Prince Edward Island	-	-	-	-	-	-	-	-
Nova Scotia	-	-	1	0.5	2	2.1	-	-
New Brunswick	1	0.8	-	-	-	-	-	-
Quebec	6	6.7	1	0.5	7	9.4	6	66.8
Ontario	7	8.2	9	19.8	32	63.3	12	16.7
<i>Prairies</i>	1	0.6	2	2.7	10	12.8	6	12.4
Manitoba	-	-	1	1.0	4	3.6	2	1.1
Saskatchewan	-	-	-	-	-	-	-	-
Alberta	1	0.6	1	1.7	6	9.3	4	11.3
British Columbia	1	1.5	-	-	3	2.8	4	2.8
Territories	-	-	-	-	-	-	-	-
Multiprovince	-	-	-	-	4	7.4	1	4.5
Total Federal	6	12.2	7	10.6	5	7.8	3	3.0

Table 4

Effective Wage Adjustment in Base Rates, by Major Industry Division, with and without COLA, by Year and Quarter

	Non-COLA Agreements				COLA Agreements				All Agreements			
	Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.
	(Months)	(Months)	(000's)	(%)	(Months)	(Months)	(000's)	(%)	(Months)	(Months)	(000's)	(%)
Primary Industries												
1998	2	36.0	1.8	1.1	-	-	-	-	2	36.0	1.8	1.1
1999	4	47.8	2.9	1.8	4	45.2	3.8	2.5	8	46.3	6.7	2.2
2000	-	-	-	-	3	36.0	4.9	1.6	3	36.0	4.9	1.6
2000 IV	-	-	-	-	1	36.0	0.7	2.3	1	36.0	0.7	2.3
2001 I	-	-	-	-	1	42.0	1.3	2.1	1	42.0	1.3	2.1
II	1	36.0	1.4	4.2	1	48.0	1.8	1.8	2	42.7	3.2	2.9
III	1	60.0	0.7	2.4	-	-	-	-	1	60.0	0.7	2.4
Utilities												
1998	9	26.6	21.6	2.4	1	36.0	0.5	2.1	10	26.9	22.1	2.4
1999	14	50.8	30.1	1.8	2	24.0	1.6	2.4	16	49.5	31.7	1.8
2000	14	25.8	25.5	3.2	-	-	-	-	14	25.8	25.5	3.2
2000 IV	3	29.5	4.1	2.7	-	-	-	-	3	29.5	4.1	2.7
2001 I	2	18.6	4.9	3.0	2	24.0	1.4	2.3	4	19.8	6.3	2.8
II	3	34.2	3.7	2.0	-	-	-	-	3	34.2	3.7	2.0
III	2	29.9	1.3	2.4	-	-	-	-	2	29.9	1.3	2.4
Construction												
1998	46	34.1	94.6	2.4	3	48.0	2.2	3.1	49	34.4	96.8	2.4
1999	21	36.1	97.8	2.0	-	-	-	-	21	36.1	97.8	2.0
2000	7	25.2	8.9	3.6	1	48.0	0.5	2.7	8	26.4	9.4	3.6
2000 IV	-	-	-	-	-	-	-	-	-	-	-	-
2001 I	1	36.0	13.0	2.5	-	-	-	-	1	36.0	13.0	2.5
II	29	34.8	68.2	3.2	-	-	-	-	29	34.8	68.2	3.2
III	16	34.5	92.8	3.3	-	-	-	-	16	34.5	92.8	3.3
Manufacturing												
1998	47	30.1	61.2	0.9	25	38.2	23.3	3.1	72	32.3	84.6	1.5
1999	43	52.6	30.8	1.8	31	35.5	72.8	4.3	74	40.5	103.6	3.5
2000	35	35.0	46.9	2.1	17	37.4	21.7	3.3	52	35.7	68.5	2.5
2000 IV	8	36.4	8.0	1.4	1	36.0	0.5	3.4	9	36.4	8.5	1.5
2001 I	5	39.4	5.0	1.7	3	30.1	2.0	2.3	8	36.7	7.0	1.8
II	6	40.6	5.7	2.6	13	36.6	10.5	2.8	19	38.0	16.2	2.7
III	3	50.2	2.0	2.0	3	42.1	3.5	3.9	6	45.0	5.5	3.2
Wholesale and Retail Trade												
1998	13	39.6	18.1	1.8	-	-	-	-	13	39.6	18.1	1.8
1999	10	32.6	11.8	1.6	1	36.0	5.2	0.6	11	33.7	17.0	1.3
2000	12	54.3	33.0	1.9	2	71.4	10.6	1.0	14	58.4	43.6	1.7
2000 IV	5	42.8	4.7	2.2	1	70.0	3.0	1.0	6	53.4	7.7	1.7
2001 I	1	36.0	0.7	2.9	-	-	-	-	1	36.0	0.7	2.9
II	2	30.9	1.8	2.0	-	-	-	-	2	30.9	1.8	2.0
III	1	48.0	0.7	1.4	-	-	-	-	1	48.0	0.7	1.4
Transportation												
1998	22	35.3	36.4	2.1	2	41.3	3.5	1.9	24	35.9	39.9	2.1
1999	19	37.9	47.2	2.9	4	43.0	12.8	2.3	23	39.0	60.0	2.8
2000	14	39.0	41.1	2.7	5	34.3	53.6	2.2	19	36.3	94.7	2.4
2000 IV	4	29.5	10.8	2.4	1	48.0	0.5	2.3	5	30.4	11.3	2.4
2001 I	7	36.3	10.5	2.7	1	36.0	1.1	2.1	8	36.2	11.7	2.7
II	6	29.3	9.9	2.9	2	50.1	3.8	2.7	8	35.0	13.6	2.9
III	6	37.6	7.3	3.0	-	-	-	-	6	37.6	7.3	3.0

Agmts. - Number of Agreements
Dur. - Average Agreement Duration
Empls. - Number of Employees
Avg. Adj. - Average Annual Adjustment

Table 4 (continued)

Effective Wage Adjustment in Base Rates, by Major Industry Division, with and without COLA, by Year and Quarter

	Non-COLA Agreements				COLA Agreements				All Agreements			
	Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.	Agmts.	Dur.	Empls.	Avg. Adj.
		(Months)	(000's)	(%)		(Months)	(000's)	(%)		(Months)	(000's)	(%)
Information and Culture												
1998	11	40.9	23.3	1.1	1	48.0	1.1	2.4	12	41.2	24.4	1.1
1999	14	32.6	34.8	2.5	4	56.7	11.2	2.4	18	38.5	46.0	2.5
2000	8	39.4	10.3	2.9	-	-	-	-	8	39.4	10.3	2.9
2000 IV	5	40.7	6.3	3.2	-	-	-	-	5	40.7	6.3	3.2
2001 I	1	36.0	3.6	3.7	-	-	-	-	1	36.0	3.6	3.7
II	2	39.1	1.2	3.1	-	-	-	-	2	39.1	1.2	3.1
III	1	12.0	1.1	4.2	-	-	-	-	1	12.0	1.1	4.2
Finance, Real Estate and Management Services												
1998	11	23.9	21.3	0.7	2	50.4	1.3	2.6	13	25.5	22.7	0.8
1999	4	34.5	2.9	2.8	-	-	-	-	4	34.5	2.9	2.8
2000	7	35.4	12.0	1.7	1	36.0	1.1	2.8	8	35.4	13.1	1.8
2000 IV	-	-	-	-	-	-	-	-	-	-	-	-
2001 I	2	24.0	1.3	2.9	-	-	-	-	2	24.0	1.3	2.9
II	6	40.4	9.0	2.0	-	-	-	-	6	40.4	9.0	2.0
III	3	33.8	2.8	3.1	-	-	-	-	3	33.8	2.8	3.1
Education, Health and Social Services												
1998	133	32.9	350.8	1.4	2	28.1	1.1	0.8	135	32.9	351.9	1.4
1999	138	36.5	297.7	1.8	-	-	-	-	138	36.5	297.7	1.8
2000	192	38.3	497.7	2.6	2	31.7	1.4	3.6	194	38.2	499.1	2.6
2000 IV	49	26.1	80.4	3.3	1	36.0	0.9	4.7	50	26.2	81.3	3.3
2001 I	40	25.9	81.6	4.4	1	60.0	3.5	2.1	41	27.3	85.1	4.3
II	57	22.6	86.1	3.3	2	36.0	61.0	2.1	59	28.2	147.1	2.8
III	28	27.6	40.8	3.3	2	36.0	36.8	4.5	30	31.6	77.6	3.9
Entertainment and Hospitality												
1998	10	38.2	9.9	3.5	1	36.0	0.6	1.8	11	38.1	10.5	3.4
1999	14	33.6	13.3	2.6	-	-	-	-	14	33.6	13.3	2.6
2000	6	46.2	7.7	3.0	-	-	-	-	6	46.2	7.7	3.0
2000 IV	2	50.5	3.1	3.8	-	-	-	-	2	50.5	3.1	3.8
2001 I	1	36.0	0.6	3.0	-	-	-	-	1	36.0	0.6	3.0
II	2	36.0	5.0	4.3	-	-	-	-	2	36.0	5.0	4.3
III	1	36.0	0.8	2.7	-	-	-	-	1	36.0	0.8	2.7
Public Administration												
1998	62	28.6	247.8	1.8	-	-	-	-	62	28.6	247.8	1.8
1999	47	28.6	143.2	2.2	2	36.0	1.8	2.1	49	28.6	145.0	2.2
2000	69	25.9	293.2	2.3	1	36.0	5.3	2.4	70	26.1	298.5	2.3
2000 IV	16	33.9	37.1	2.5	-	-	-	-	16	33.9	37.1	2.5
2001 I	5	27.9	11.3	3.6	2	35.7	32.9	3.0	7	33.7	44.2	3.1
II	14	32.8	33.2	3.0	2	36.0	2.1	2.4	16	33.0	35.3	3.0
III	18	28.4	38.8	3.0	1	36.0	0.7	2.4	19	28.5	39.5	3.0
Agmts.	-	Number of Agreements										
Dur.	-	Average Agreement Duration										
Empls.	-	Number of Employees										
Avg. Adj.	-	Average Annual Adjustment										

Table 5
Effective Adjustment in Base Rates, Number of Agreements and Employees Covered,
by Year and Quarter

	1998	1999	2000	2000 - 2001			
				4	1	2	3
All Industries							
Wage Adjustment (%)	1.7	2.2	2.5	2.9	3.5	2.9	3.4
Number of Agreements	403	376	396	97	75	148	86
Number of Employees (000's)	920.5	821.8	1,075.2	160.1	174.7	304.2	230.1
Private Sector							
Wage Adjustment (%)	1.8	2.7	2.3	2.2	2.4	2.9	3.2
Number of Agreements	182	159	100	22	20	63	32
Number of Employees (000's)	274.2	315.3	161.6	29.9	34.1	105.6	106.1
Public Sector							
Wage Adjustment (%)	1.6	1.9	2.5	3.0	3.8	2.8	3.6
Number of Agreements	221	217	296	75	55	85	54
Number of Employees (000's)	646.3	506.4	913.5	130.2	140.7	198.7	123.9
Federal Administration							
Wage Adjustment (%)	2.2	2.9	2.1	2.4	4.0	3.4	4.4
Number of Agreements	16	10	18	3	2	5	1
Number of Employees (000's)	124.2	53.2	154.8	13.3	7.6	21.3	2.9
Federal Crown Corporations							
Wage Adjustment (%)	2.2	2.4	2.2	-	-	3.2	4.0
Number of Agreements	7	6	3	-	-	3	2
Number of Employees (000's)	8.3	19.8	46.6	-	-	5.4	1.4
Provincial Administration							
Wage Adjustment (%)	1.7	1.6	2.6	2.8	2.9	2.9	3.4
Number of Agreements	30	21	37	6	4	9	5
Number of Employees (000's)	112.2	73.9	114.4	11.1	36.8	15.0	17.2
Local Administration							
Wage Adjustment (%)	1.5	2.3	2.5	2.5	2.7	2.5	2.5
Number of Agreements	32	34	33	13	4	6	15
Number of Employees (000's)	48.3	44.2	69.2	20.0	5.0	6.2	24.1
Education, Health and Welfare							
Wage Adjustment (%)	1.4	1.8	2.6	3.3	4.4	2.8	3.9
Number of Agreements	134	136	193	51	39	60	30
Number of Employees (000's)	351.3	292.0	497.1	82.4	80.7	147.6	77.6
Public Utilities							
Wage Adjustment (%)	1.4	2.1	3.4	2.8	3.2	2.4	3.0
Number of Agreements	2	10	12	2	6	2	1
Number of Employees (000's)	2.1	23.3	31.4	3.3	10.6	3.1	0.6

Table 6

Selected Economic Indicators,
by Year and Quarter

	1998	1999	2000	2000 - 2001			
				4	1	2	3
Wage Settlements (%)	1.7	2.2	2.5	2.9	3.5	2.9	3.4
Public Sector (%)	1.6	1.9	2.5	3.0	3.8	2.8	3.6
Private Sector (%)	1.8	2.7	2.3	2.2	2.4	2.9	3.2
Agreements in Force (%)	1.7	1.9	2.3	2.4	2.5	2.4	2.4
Public Sector (%)	1.4	1.7	2.2	2.4	2.4	2.5	2.4
Private Sector (%)	2.3	2.1	2.4	2.4	2.6	2.4	2.5
Consumer Price Index Per Cent Change ¹	0.9	1.7	2.7	3.1	2.8	3.6	2.7
GDP ² at Factor Cost ³ Per Cent Change ¹	3.1	4.8	4.5	3.8	1.9	1.6	-3.5
Labour Productivity Growth (%)	0.7	2.2	1.8	1.2	0.8	0.6	-0.3
Unit Labour Cost (%)	1.4	0.8	2.3	2.7	3.2	1.5	2.5
Unemployment Rate ³ (%)	8.3	7.6	6.8	6.9	7.0	7.0	7.1
Employment (000's) ³	14,140	14,531	14,910	15,028	15,062	15,101	15,083
Per Cent Change ¹	2.7	2.8	2.6	2.3	1.6	1.4	1.0
Average Weekly Earnings ³	\$ 632.09	\$ 638.67	\$ 653.50	\$ 657.82	\$ 660.78	\$ 660.79	\$ 667.63
Per Cent Change ¹	1.4	1	2.3	2.3	2.0	1.4	1.7
Average Hourly Earnings	\$ 15.81	\$ 16.07	\$ 16.52	\$ 16.47	\$ 16.64	\$ 16.71	\$ 16.87
Per Cent Change ¹	1.5	1.6	2.8	1.5	0.1	0.9	2.6

¹ Per cent change from the same period of the previous year² GDP – Gross domestic product at factor cost (1992) prices³ Seasonally adjusted data

TECHNICAL NOTES

The information in this report is produced from collective agreement settlements in Canada which cover 500 or more employees in all industries. A few settlements are excluded where the basis of payment is on a piece/mileage rate basis.

The construction industry is excluded prior to 1983.

The Base Rate

The base rate is the lowest paid classification used for qualified workers in the bargaining unit. In most instances, the base rate is the rate of pay for an unskilled or semi-skilled classification of workers. However, this is not the case in contracts covering only skilled workers and professional employees.

As only the base rate in a contract is used, the resulting data on percentage change do not necessarily reflect the average wage change for all workers in the bargaining unit. For example, where an across-the-board increase is negotiated for all classifications in cents per hour (or other money terms), measurement on the base rate produces higher results than measurement on any higher rate, including the average rate. Where varying percentage or money increases are negotiated for different classifications, measurement on the base rate may produce results that are higher or lower than measurement on the average rate. Where an across-the-board increase is negotiated for all classifications in percentage terms, measurement on the base rate produces results identical to measurement on any other rate, including the average rate. It should be noted that information on the average rate for all employees in a bargaining unit is not available.

Effective Wage Increase

The effective wage increase is the increase in rates of pay including estimated **cost-of-living allowance (COLA)** payments. Estimates of the yield of COLA clauses are obtained by quantifying the characteristics of these clauses in each agreement and applying a combination of actual Consumer Price Index (CPI) increases available to date plus a specified projected inflation rate for the remainder of the contract duration.

In succeeding quarters, these estimates are revised using actual CPI values as they become available.

In the current report, an **inflation projection of 2.0 per cent** has been used when the actual rate is unknown. This figure is based on a rounded average of inflation forecasts and is intended for illustrative purposes only and does not constitute an official forecast by Human Resources Development Canada. The use of different inflation rate scenarios could result in varying settlement increases. The inflation projection used will be revised periodically to reflect prevailing economic conditions.

By including reasonable estimates of future payments under COLA clauses, the effective wage increase concept facilitates an accurate comparison of agreements with and without COLA and permits the aggregation of all agreements to yield an improved measure of wage settlements.

Public and Private Sectors

The principal unit of observation is the collective bargaining unit; however, the designation for inclusion in the public sector is by reference to characteristics of the employer with whom a bargaining unit negotiates. Reference to the employer characteristics makes the directives consistent with Statistics Canada's use of "institutional units" or "entities".

While the criteria relate to the classification of the public sector only, *the private sector is defined by exclusion.*

Public sector bargaining units negotiate wages or other working conditions with an employer who is part of, or an agent of, a government or a government business enterprise. The distinction between the two is whether the activity engaged in is "non-commercial" (Government) or "commercial" (Government Business Enterprise).

Government (Non-Commercial)

The government component comprises all non-commercial entities controlled by governments and mainly financed out of general taxation or other public

funds. These entities provide goods and/or services free or at non-market prices (not having a view to profit).

Sub-sectors of the government component are identified below:

(1) Federal Government

Collective bargaining in the federal government component is conducted under the *Public Service Staff Relations Act* (Parts 1 and 2), and the *Parliamentary Employment and Staff Relations Act*.

(2) Provincial and territorial governments

- (a) provincial and territorial government administration;
- (b) health, education and social services agencies or institutions:
 - (i) public hospitals,
 - (ii) provincial residential care facilities,
 - (iii) universities,
 - (iv) colleges, vocational and trade institutions,
 - (v) social services business enterprise,
 - (vi) provincial elementary and secondary schools.

(3) Local Government Administration

- (a) local government organizations such as: municipalities, boards, commissions;
- (b) school boards;
- (c) social services: establishments at the local level primarily engaged in providing basic domiciliary care only, such as homes for the aged, blind or senile, boarding houses for the aged, day nurseries, shelters, etc.

Government Business Enterprise (Commercial)

The commercial component of the public sector is divided into three broad sub-groupings, based on degree of governmental control, as follows:

(1) Direct Control

A commercial enterprise is directly controlled by a government if one of the following conditions is met:

- (a) a government holds more than 50 per cent of its voting equity, directly;
- (b) a government has irrevocable options or the right to acquire shares, or convertible debt or equity, exercisable at the discretion of that government.

(2) Effective Control

A commercial enterprise is effectively controlled by a government if one of the following conditions is met:

- (a) the government holds a significant voting ownership in a public enterprise, where "significant" is understood as:
 - (i) the holding is the largest block of voting equity; and
 - (ii) the holding exceeds 33.3 per cent of the voting equity; and
 - (iii) the block is larger than the combined percentage of the next two largest blocks;
- (b) the commercial enterprise declares that it is effectively controlled by a government;
- (c) there exists a method or variety of methods (e.g., significant voting ownership of the enterprise, technological agreements, supply controls or contracts, management contracts, interlocking directorships, etc.)

(3) Indirect Control

A business enterprise is indirectly controlled by a government if that government directly or effectively controls a government business enterprise, which in turn directly or effectively controls that enterprise.

SELECTED PROVISIONS IN CURRENT COLLECTIVE AGREEMENTS

*Nicole Boudreault
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Introduction

The following article provides an overview of provisions related to both employer and employee rights found in current collective agreements available from the Workplace Information Directorate. These examples are taken from collective agreements based on a stratified sample and are presented according to size of bargaining unit; that is, small bargaining units (100 to 499 employees), medium-sized bargaining units (500 to 1,999 employees) and large bargaining units (2,000 employees or more). Selected provisions dealing with employer rights include the right to administer drug and alcohol tests, intelligence and aptitude tests, lie detector tests, as well as electronic surveillance and Internet/telephone monitoring. Examples of provisions dealing with employee rights encompass older worker provisions, substance abuse assistance programs, health and recreation services and other assistance programs.

Employer Rights

1. Drug and Alcohol Testing

Some examples were found in each of the small, medium and large bargaining units, all in the manufacturing sector. Drug and alcohol testing is either limited, permitted or prohibited.

Examples

The collective agreement between la Compagnie Kenworth du Canada and the Canadian Autoworkers, provides that, upon reasonable doubt or in the event of an industrial accident, employees could be obliged to submit to drug and alcohol testing. An employee who tests positive is automatically suspended until completion of a medical treatment for drug and alcohol abuse. Upon completion of such a treatment, the employee is reintegrated without loss of seniority and is required to undergo random drug and alcohol tests for a period of 12 months following the return to work.

The agreement between Lear Corporation Canada Ltd. and the Canadian Autoworkers, stipulates that the Company will not introduce drug testing into the workplace prior to any introduction of such legislation in Canada.

2. Intelligence and Aptitude Tests

Examples of this provision were found in numerous industry sectors but more commonly in small and medium-sized bargaining units in the manufacturing sector. Furthermore, the majority of examples retrieved stipulate the right to administer such tests.

Examples

In the agreement between Spruce Falls Inc. and the Joint Union Coalition, a provision stipulates that all new employees must write the General Aptitude Test Battery as a condition of employment.

In the agreement between Culinar Inc. and the Bakery, Confectionery and Tobacco Workers International Union, Local 480, a provision stipulates that, with the exception of specialized jobs specifically mentioned in the agreement, no writing, reading or numerical tests will be administered to employees who currently hold a position requiring similar abilities prior to beginning a trial period in the new job.

3. Lie Detector Tests

Examples of this type of provision were in collective agreements within the Wholesale and Retail Trade as well as the Entertainment and Hospitality industries. In most cases, administering of lie detector tests is prohibited.

Examples

The agreement between the Windsor Casino and the Canadian Autoworkers, provides that prior to the introduction of such legislation in Canada, the employer will not introduce lie detector tests in the workplace.

Employees of New Dominion Stores represented by the Retail, Wholesale Canada, Canadian Service Sector Division of the United Steelworkers of America, Local 414, will not be required to take a stress test or a lie detector test except on a voluntary basis.

4. Electronic Surveillance

In this instance a number of examples were found in the manufacturing sector. The majority of examples found permit such surveillance while it is limited or prohibited in a few other cases.

Examples

In the collective agreement between Overwaitea Foods and Save-On Foods (British Columbia Stores) and the United Food and Commercial Workers International Union, Local 1518, electronic surveillance is permitted. It is further mentioned that video surveillance has become a valuable resource for the protection of the employer's assets and in ensuring the safety of the employees and that it has proven to be a major deterrent against thefts and robberies. Within the confines of the law, the employer may use video cameras in almost any part of the store.

Electronic surveillance is also permitted in the agreement between La Presse and the Office and Professional Employees International Union, Local 57. It is stated that the purpose of the installation of an electronic access control system is to protect individuals and their assets as well as those of the organization. The electronic access control system is not to be used for monitoring of an employee's attendance record. Also, actions observed or recorded by the system cannot be used as evidence for arbitration, disciplinary or administrative purposes, with the exception of those actions which constitute a misconduct under the *Criminal Code*.

5. Internet/Telephone Monitoring

None of the collective agreements under review included an example of Internet/telephone monitoring. However, the ever-increasing use of communication by electronic means will likely lead to the development of such provisions.

Employee Rights

1. Older Worker Provisions

A few examples of this provision were found in the manufacturing, education, health and social services sectors and, more predominantly, in the construction sector.

Examples

The agreement between QIT-Fer et Titane inc. and the Syndicat des ouvriers du fer et du titane provides that when an employee is incapable of complying with efficiency and security standards required by his occupation due to a non work-related incapacity, age or for other reasons, the employer may, after consulting with the union, transfer the employee to another position for which he is qualified in accordance with his seniority. Furthermore, the employee receives the standard hourly rate for his previous position until the rate of the new position reaches the level of remuneration the employee was entitled to prior to his transfer.

The general labour, trades and services employees covered by the settlement between the Government of New Brunswick and the Canadian Union of Public Employees, Local 1253 (Part II), who are unable to perform their regular tasks because of age, can be transferred to another suitable position.

2. Substance Abuse Assistance Programs

The collective agreements reviewed yielded a number of examples with regard to drug and alcohol programs. Provisions from small-and medium-sized bargaining units were predominantly in the manufacturing sector while most examples from large bargaining units were in the education, health and social services sector.

Examples

In the agreement between Les Pêcheries Marinard Ltée. and the Syndicat des pêcheries Marinard, it is stated that substance abuse is recognized as an illness and that an employee who undertakes a substance abuse-related treatment prescribed by a physician of his choice, will be eligible for sick leave. In order to continue to maintain seniority, the employee must adhere to the prescribed treatment and provide a certificate from the institution or professional involved in the treatment.

In Ontario, the agreement between Pipe Line Contractors Association of Canada and various unions, it is specified that both the employer and employee will contribute 1¢ per hour earned for a total of 2¢ per hour earned to be remitted to the Alcohol/Drug Abuse Fund.

3. Health and Recreation Services

Once again, the examples available with regard to health and recreation services, were largely found in the manufacturing sector.

Examples

In the agreement between Abitibi-Consolidated Inc. and the Communications, Energy and Paperworkers Union of Canada, Local 60N, all camps shall have a recreation room for the use of employees. Such rooms shall be large enough and equipped to accommodate comfortably at least half the camp employees.

The agreement between Lear Canada and the Canadian Autoworkers, stipulates that the recreational fitness centre for the employees will remain in operation for the duration of the collective agreement.

4. Other Assistance Programs

This section covers all other assistance programs with the exception of legal aid. Examples were available for a number of industrial sectors, with however a larger concentration in the small-and medium-sized bargaining units within the manufacturing sector. As for large bargaining units, examples were mainly drawn from collective agreements in the education, health and social services sector.

Examples

In the agreement between Exceldor and the Syndicat démocratique des salariés de la co-op de Dorchester, an assistance program is offered to employees who demonstrate serious functional disorders caused by drug or alcohol abuse or who are experiencing personal problems. These employees are referred to appropriate resources in order to resolve or prevent such problems. The terms and conditions of this program are discussed by the parties at a labour relations committee meeting.

In the agreement between AltaSteel Ltd. and the United Steelworkers of America, Local 5220, the parties recognize that the organization's most important assets are its employees and that treatment of problems related to alcohol and drug abuse, physical, mental and emotional illness, etc. have the potential for successful treatment provided that they are identified in their early stages and referral is made to an appropriate assistance resource. Therefore, the parties have agreed to establish and maintain an Employee Referral Program designed to prevent or resolve personal, social or health problems that can or have become work-related problems; enable people to improve their quality of life, and assist troubled employees in arranging for appropriate outside resources.

Conclusion

As generally observed throughout the article, there are currently few provisions related to employer and employee rights cited in the collective agreements studied, with the exception of provisions for substance abuse and other assistance programs. Furthermore, it is interesting to note that collective agreements in the manufacturing sector most frequently refer to provisions of this nature. As many of these provisions still remain a topic of discussion among stakeholders, further tracking may result in growing incidence in collective agreements in Canada.

WORK STOPPAGES – 2001 AND CHRONOLOGICAL PERSPECTIVE

Workplace Information Directorate
Labour Program, Human Resources Development Canada

Major Work Stoppages (500 or more workers)

Summary

There were eight work stoppages involving 500 and more workers during the third quarter of 2001 in Canada. Three major work stoppages accounted for 83 per cent of the person-days not worked. The strike involving Government of Canada workers and the Public Service Alliance of Canada represented 164,140 person-days not worked, which accounted for approximately 49 per

cent of the person-days not worked during the third quarter. During the same period, two work stoppages in British Columbia, Translink and Health Employers Association, involving paramedical employees and nurses, represent 82,220 and 32,000 person-days lost respectively and together accounted for an additional 34 per cent of the third quarter total.

Table 1
Major Work Stoppages by Jurisdiction
Third Quarter 2001

Jurisdiction	Stoppages	Workers Involved	Person-Days Not Worked
Newfoundland	1	1,110	22,140
Prince Edward Island	-	-	-
Nova Scotia	-	-	-
New Brunswick	1	2,697	5,160
Quebec	-	-	-
Ontario	2	1,100	26,800
Manitoba	-	-	-
Saskatchewan	-	-	-
Alberta	-	-	-
British Columbia	3	37,275	115,420
Territories	-	-	-
Multiprovince	-	-	-
Total Provinces	7	42,182	169,520
Canada Labour Code-Part I	-	-	-
Federal Administration	1	43,148	164,140
Federal Total	1	43,148	164,140
Total	8	85,330	333,660

Source: Workplace Information Directorate

Table 2
Major Work Stoppages by Industry
Third Quarter 2001

Industries	Stoppages	Workers Involved	Person-Days Not Worked
Primary Industries	-	-	-
Utilities	-	-	-
Construction	-	-	-
Manufacturing	1	600	16,800
Wholesale and Retail Trade	-	-	-
Transportation	1	3,575	82,220
Information and Culture	-	-	-
Finance, Real Estate and Management Services	-	-	-
Education, Health and Social Services	4	37,507	60,500
Entertainment and Hospitality	-	-	-
Public Administration	2	43,648	174,140
Various Industries	-	-	-
Total	8	85,330	333,660

Source: Workplace Information Directorate

All Work Stoppages (one or more workers)

Table 3

All Work Stoppages by Jurisdiction Second Quarter 2001

Jurisdiction	Cumulative to June 30, 2001		
	Stoppages	Workers Involved	Person-Days Not Worked
Newfoundland	7	17,064	63,460
Prince Edward Island	-	-	-
Nova Scotia	2	4,630	2,200
New Brunswick	1	2,500	7,140
Quebec	5	23,335	172,020
Ontario	11	20,349	311,750
Manitoba	-	-	-
Saskatchewan	1	12,000	51,430
Alberta	1	1,950	70,200
British Columbia	2	13,375	248,410
Territories	1	614	900
Multiprovince	-	-	-
Total Provinces	31	95,817	927,510
Canada Labour Code-Part I	1	500	10,000
Federal Administration	-	-	-
Federal Total	1	500	10,000
Total	32	96,317	937,510

Source: Workplace Information Directorate

Table 4

All Work Stoppages by Industry Second Quarter 2001

Industries	Cumulative to June 30, 2001		
	Stoppages	Workers Involved	Person-Days Not Worked
Primary Industries	2	2,510	85,130
Utilities	-	-	-
Construction	2	15,500	80,000
Manufacturing	2	1,700	6,300
Wholesale and Retail Trade	1	825	41,260
Transportation	3	6,025	309,010
Information and Culture	1	891	3,500
Finance, Real Estate and Management Services	1	4,500	16,070
Education, Health and Social Services	17	57,058	372,710
Entertainment and Hospitality	1	1,700	1,700
Public Administration	2	5,608	21,830
Various Industries	-	-	-
Total	32	96,317	937,510

Source: Workplace Information Directorate

A weekly listing of *Major Work Stoppages in Canada* and a full chronological perspective are available on the Workplace Information Directorate Web site at

<http://labour.hrdc-drhc.gc.ca/doc/wid-dimt/eng>

Table 5

Work Stoppages – A Chronological Perspective

Period	Number beginning year or month	in existence during year or month*			% of Estimated working time
		Total Number	Workers involved	Person-days not worked	
1991	399	463	253,334	2,516,090	0.09
1992	353	404	149,940	2,110,180	0.07
1993	323	381	101,784	1,516,640	0.05
1994	312	374	80,856	1,606,580	0.06
1995	282	328	149,159	1,583,070	0.05
1996	297	330	281,816	3,351,850	0.11
1997	229	284	257,664	3,610,210	0.12
1998	341	381	244,402	2,443,880	0.08
1999	358	413	158,612	2,445,740	0.08
2000	196	254	131,430	1,230,490	0.04
2000					
July	2	3	14,130	82,010	0.03
August	5	5	4,720	31,020	0.01
September	2	5	11,535	50,910	0.02
October	10	13	26,973	121,100	0.04
November	2	9	11,339	120,470	0.04
December	1	4	5,392	34,590	0.01
2001					
January	-	2	1,947	28,700	0.01
February	2	3	3,764	39,830	0.01
March	4	6	8,850	95,990	0.04
April	13	18	42,626	401,360	0.15
May	5	8	35,630	210,910	0.07
June	5	10	37,530	160,720	0.06

* Refers to work stoppages which began during the year or month as well as those carried over from the previous year or month.

Source: Workplace Information Directorate

TECHNICAL NOTES

Data on work stoppages collected by the Workplace Information Directorate of the Labour Program of Human Resources Development Canada covers strikes and lockouts which amount to ten or more person-days lost.

A strike is a concerted work stoppage by a group of employees which is done in order to bring about a change in an employer's position, and it occurs during the negotiating process. A legal strike is one that respects all the conditions mandated by law, most notably that the strike is taking place during negotiations. A strike will be declared illegal if it does not respect the applicable laws. A lockout occurs when work is suspended by the employer or a group of employers in order to pressure employees to change their position, and a lockout must also occur during the negotiating process.

Developments leading to work stoppages are sometimes too complex to make it practicable to distinguish between strikes on the one hand and lockouts on the other.

The major characteristics of work stoppages on which information is gathered are:

Employer – Firm or firms employing the workers reported on strike or locked out.

Location – Location of the plant or premises at which the work stoppage occurred.

Industry – Industry of employer according to the North American Industry Classification System (1997).

Union – The workers' organization(s) directly involved or concerned in the dispute that led to work stoppage.

Workers Involved – The total number, or approximate total number, of workers reported on strike or locked out, whether or not they all belonged to the union directly involved in the dispute that led to work stoppage. Where the number of workers involved varied in the course of the stoppage, the maximum number is used in tabulating annual or other totals. (Where a stoppage commenced in a previous year, the maximum number during the whole stoppage is the number used). Monthly totals are similarly based on the

highest figures but allowance is made for changes reported in stoppages extending over two or more months. The total number of workers shown may include the same workers more than once if they are involved in more than one work stoppage during the year (or other reference period). Workers indirectly affected, such as those laid off as a result of a work stoppage, are not included in the data on workers involved.

Starting Date – The day on which the work stoppage began.

Termination Date – For work stoppages that are terminated by mutual agreement, the termination date is the day on which work was resumed. Where normal operations could not be resumed shortly after the employees agreed to return, the day on which they were available for work is regarded as the termination date. Some work stoppages are never formally settled, and this presents statistical difficulties. In such a case, the stoppage is usually considered terminated for statistical purposes, at the date by which it was established that two-thirds or more of the workers involved had either returned to work, or had found work with other employers; or the date by which it was reported that the operations affected by the work stoppage would not be resumed.

Duration – The duration of each stoppage is calculated in terms of working days, including the starting date and all subsequent normal working days up to the termination date. The days counted as working days are those on which the establishment involved would normally be in operation (five days per week).

Duration in Person-Days – Duration in working days multiplied by the number of workers involved. For work stoppages involving establishments in which the number of weekly working days (see Duration above) exceeds the work week of individual employees, the duration in person-days is adjusted by the appropriate ratio. Variations in the number of workers involved in the course of a stoppage are also taken into account in the calculation as far as practicable. The data on duration of work stoppages in person-days are provided to facilitate comparisons of work stoppages in terms of a common denominator; they are not intended as a measure of the loss of production time to the economy.

The expression "Time loss" is occasionally used instead of "duration in person-days". The term most commonly used is person-days not worked due to the duration in person-days of all work stoppages in a year is also shown as a percentage of estimated working time based on estimates of the number of non-agricultural paid workers in Canada obtained from the Labour Force Survey of Statistics Canada.

Jurisdiction – Statistics on work stoppages are also classified according to jurisdiction. This is done on the basis of the government and those businesses

covered by Part 1 of the *Canadian Labour Code* whose industrial relations statistics are applicable to the establishment involved in the dispute. (The tabulation of statistics on work stoppages by jurisdiction corresponds to a tabulation by province, except where the Federal jurisdiction is involved.)

The data reflect all work stoppages that have come to the notice of Workplace Information Directorate, and meet the criteria defined above, e.g., minimum person-days. The methods used to secure this information are believed to be adequate to preclude the possibility of major omissions.

WORKPLACE INFORMATION DIRECTORATE

*Labour Program
Human Resources Development Canada*

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<http://labour.hrdc-drhc.gc.ca>

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INNOVATIVE WORKPLACE PRACTICES

Bruce Aldridge
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Labour Program, Human Resources Development Canada

This overview of innovative or special interest provisions is derived from a summary of 136 collective agreements that settled between April and August 2001. Of this number, 76 include provisions deemed innovative or of particular interest.

Duration

The trend of having contract durations of 36 months or less continues for a majority of the collective agreements signed during this selected period (84 per cent of agreements reported). Of those remaining, eight agreements had a duration of 60 months, while one agreement, Smurfit-MBI and the Communications, Energy and Paperworkers Union of Canada in St. Laurent, Quebec, had a renewal term of 84 months.

Compensation

A **profit sharing plan** continues for both Canadian Freightways Limited in the Prairie Provinces, British Columbia, Northwest Territories and Yukon and the International Brotherhood of Teamsters and IPL Inc. in Saint-Damien-de-Buckland, Quebec, with the Service Employees International Union. The Canadian Freightways' plan is subject to the company achieving 60 per cent of profit accomplishment goal and the formula calculation is hourly wage, times the number of straight hours worked including statutory holiday and vacation pay, times 7.0 per cent, times the actual profit sharing accomplishment. The IPL Inc. formula consists of multiplying the gross salary on January 1 of each year by the percentage of savings, divided by the number of hours worked and distributed equally for each hour worked by each employee. The generated adjustment, paid as a lump-sum payment in December, will be the profit sharing percentage less the wage adjustment. Also, CORUS, previously Reynolds Aluminum of Canada, and the Fédération de la métallurgie in Cap-de-la-Madeleine, Quebec, have replaced the current indexing provision with a **gain-sharing plan** which provides a minimum guaranteed bonus of \$600 for the year 2003. In 2003, the union and employees will choose between returning to the indexing provision, which

would provide a 1.0 per cent wage adjustment in each remaining year of the contract, or remain with the gain-sharing plan, which would provide a guaranteed bonus of \$1,000 for the years 2004, 2005 and 2006.

Market retention adjustments have been noted in several agreements. The Northern Alberta Institute of Technology and its Academic Staff Association in Edmonton, Alberta, provide a provision whereby a one-time grant equal to 1.0 per cent of payroll made available by the provincial government, addresses salary inequities which could have market retention implications. At the start of a 24-month agreement, Natco Canada Ltd. and the International Brotherhood of Boilermakers, Iron ship Builders, Blacksmiths, Forgers and Helpers, Calgary, Alberta, implemented a 6.5 per cent wage adjustment to maintain **industry competitiveness**. Two agreements between the Health Employers Association of British Columbia and the Nurses' Bargaining Association and the Paramedical Professional Bargaining Association, province-wide, British Columbia, have established additional annual adjustments ranging from 2.0 to 5.1 per cent, depending upon classification, to address the **recruitment and retention of employees**. Also in British Columbia, the Pacific National Exhibition in Vancouver, implements adjustments that range from 0.5 to 1.0 per cent per year to cover recruitment and retention issues for regular employees created by competitive pressures from other employers, such as the City of Vancouver and other Lower Mainland municipalities. In Ontario, the Regional Municipality of Durham and the Canadian Union of Public Employees provided additional adjustments which were applied before the negotiated wage increases. These ranged from approximately 8.0 to 16 per cent and were primarily given to classifications considered to be "**Hot Market**".

Different styles of **wage restructuring** or **classification adjustments** were reported in 14 agreements. Two Government of Canada settlements and one National Research Council of Canada settlement **restructured wages** by eliminating the minimum level and adding a step to the maximum of all levels. Two Government of

New Brunswick settlements, both negotiating with the Canadian Union of Public Employees, include **special classification adjustments** which apply to a majority of bargaining unit employees (70 and 90 per cent), to address wage equity and employee recruitment and retention. The Edmonton Public Library Board and the Civic Service Union No. 52 introduced the **amalgamation of salary schedules** for shift and non-shift employees, resulting in additional wage adjustments for various classifications. The licensed practical nurses with the Nova Scotia Association of Health Organizations and the Nova Scotia Nurses Union were given a classification **review adjustment advance** in the first year of their agreement in addition to a 2.0 per cent wage adjustment.

AT Plastics and the Communications, Energy and Paperworkers Union of Canada have introduced a **variable pay program** based on performance measures in order to encourage employee understanding and alignment with business and company objectives and strategies, and to recognize employee contributions to achieving these objectives.

Twenty-two agreements reviewed for this period received either a **lump-sum payment** or a **signing bonus**. The lump-sum payments range from \$250 in each of the first two years of a three-year agreement with Camco Inc. in Montréal, Quebec, to \$1,000, \$700 and \$600 payments respectively, in a three-year agreement with Parmalat Dairy and Bakery Inc. in Brampton, Ontario. Toronto District School Board and the Ontario Secondary School Teachers' Federation provided an amount equal to 1.95 per cent of year 2000 earnings to all bargaining unit members, except continuing education occasional teachers. In two collective agreements between the City of Montréal and the Canadian Union of Public Employees, a 1.0 per cent lump-sum payment provided for in the previous agreement was folded into the wage rates, in addition to a 1.0 per cent wage adjustment.

Cost-of-living allowances were recorded in 16 renewed agreements. Of these, 11 used the calculation of a cent amount for each point increase or decrease in the Consumer Price Index; with only one agreement using a 4.0 per cent trigger. All other agreements used the calculation of an amount equal to the percentage increase or decrease in the Consumer Price Index, with most having a trigger of at least 2.0 per cent.

Working Conditions

A provision between Gray Line of Victoria Ltd. in Vancouver and Lower Mainland, British Columbia, implements a **flextime** work schedule which enables office employees, in approved classifications, to work hours in excess of their normal daily hour for a fixed period, in exchange for a paid day off at a later date within the month worked. Suncor Energy Inc. in Fort McMurray, Alberta, and the Communications, Energy and Paperworkers Union of Canada continue a **flexible benefits health care spending account** whereby the employer contributes an additional \$400 into each employee's account. Under **family-related leave**, the Manitoba Hydro and the Association of Manitoba Hydro Staff and Supervisory Employees provided a new provision which grants up to a maximum of five paid days to cover the illness or medical appointments of a parent, spouse or child. The Government of Newfoundland and Labrador and Canadian Union of Public Employees have extended their family-related paid leave of 15 hours per year for full-time employees to part-time employees, but prorated according to hours worked in the previous year.

Job Security

Cooper-Standard Automotive (Canada) Limited in Stratford, Ontario and the Canadian Autoworkers provide that, in the event of **plant closure**, the employer will notify the union within two months and the parties will meet to discuss averting the closure. If not successful, they will continue to discuss severance packages, any extension in benefit coverage and an adjustment process. The employer will also provide job search and social counseling for affected employees. A **job-sharing** clause has been introduced by the Government of Newfoundland, province-wide, and the Newfoundland and Labrador Association of Public and Private Employees. The guidelines state the arrangement will be employee-initiated and voluntary; be one full-time position shared by two employees, each working 50 per cent of the position; permit the employees to self-schedule the work; share the collective agreement benefits equally; and include a pre-determined notice period for discontinuing the arrangement. In a letter of understanding between the City of Calgary and the Canadian Union of Public Employees, the impact of **large scale organizational changes** will not be carried out without union review and involvement. In the agreement between the Government of Saskatchewan, province-wide, and the Saskatchewan Government and General Employees

Union, not only is employment security **guaranteed** for bargaining unit members for the current fiscal year but 400 permanent part-time incumbents will be converted to full-time status.

Training

Education funds were noted in at least six agreements reviewed, with employer contributions ranging from 1¢ to 3¢ per employee per hour worked. Natco Canada Ltd., Calgary, Alberta has an employer-financed cap of \$75,000, while the Health Employers Association of British Columbia covering the paramedical professionals will contribute \$1 million toward education leave. Camco Inc. and the Communications, Energy and Paperworkers Union of Canada in Montréal, Quebec, provide that the employer will commit \$5 thousand, for training when an employee is **laid off** as a result of plant closure. Lear Corporation and the Canadian Autoworkers grant an amount of \$750 per year for **tuition and book costs** associated with a work-related course. The University of Windsor and the Faculty Association have established **unique pilot programs** to be established in the areas of Business and Engineering. The programs will be designed to meet the specific needs of *outside professionals and others* seeking opportunities to acquire knowledge and skills, enabling them to improve or shift their careers. These programs will be designed not to compete with the academic programs of the University.

Labour-Management Committees

Once again this quarter, close to half (30) of the 76 agreements with innovative practices contained provisions for establishing joint committees. The committees consisted of a wide variety of issues.

The Health Employers Association of British Columbia and the Nurses' Bargaining Association have established a joint provincial committee to conduct research into the **causes of overtime** and to identify ways and means of reducing such overtime in a cost-effective, efficient manner. Research findings and recommendations will be provided to the Ministry of Health Services and the Ministry of Health Planning. The association of building service contractors in Quebec and the Service Employees International Union, have initiated a committee on **prevention services** which will review health and safety issues, design and develop training and make recommendations concerning health and safety regulations and standards. Smurfit-MBI and the Communications, Energy and Paperworkers Union of Canada, in Quebec, have incorporated a committee to develop procedures for setting up a **training program** that would enable employees to be qualified to perform plant-related operations and to assess training needs, objectives and priorities. The Coast Mountain Bus Company in Victoria, Vancouver and Lower Mainland, British Columbia, and the Canadian Autoworkers have established an **joint operational review** committee, which is intended to be a long-term consensual body seeking solutions to productivity issues while protecting employee's interests. Emco Limitée and the Syndicat national des travailleurs des pâtes et papiers de Pont Rouge inc. have incorporated a committee for the development of **teamwork** to exchange the benefits of knowledge and experience in the workplace.

A number of other agreements include provisions to discuss such issues as workload, work environment, utilization of temporary employees, modified work week, cost containment in benefits and pension programs, harassment procedures, and pay equity/classification.

Coming in the Next Issue!

In 2000, the Workplace Information Directorate introduced small bargaining units in response to client consultations requesting such information and to reflect the distribution of smaller workplaces in the Canadian industrial composition. The smaller bargaining units represent a sample by industrial sector across Canada, while the large and medium bargaining units represent all bargaining units across Canada. Our next issue will feature an analysis of this new group.

PERSPECTIVES ON CANADA'S SKILLS CHALLENGES – LABOUR AND BUSINESS ACTIONS

Arlene Wortsman and Derwyn Sangster
Canadian Labour and Business Centre

As an independent national labour-business organization, the Canadian Labour and Business Centre¹ has for several years focused attention on the complex and far-reaching issues involved in meeting Canada's skills challenges. Competition for skilled workers is fierce and, in many fields, increasingly international in scope. This is one of the most serious challenges facing Canadian management and labour—people who work in and for the companies and organizations that generate income, employment, and social and economic well-being for all Canadians.

There has been an observable evolution in the perspectives of both business and labour on a number of key fronts. National business-labour leadership surveys by the Canadian Labour and Business Centre indicate that "skills shortages"—which as an issue was barely on the radar screen of labour and business four or five years ago—are now ranked by both constituencies as one of their top 10 concerns.

The main purpose of the Centre's consultations was to identify opportunities for action related to the priority concerns of business and labour. These opportunities include relatively straightforward measures that, in the opinion of both constituencies, can and should be implemented immediately. The study identifying the aspects of skills challenges issues was published in the previous issue of the Workplace Gazette; a full report including background papers is available at <<http://www.clbc.ca>>.

Actions by Labour

Collective Bargaining Process

Many unions are using the framework of collective bargaining to press for training programs. There are many examples of innovative and creative programs operating at the community or workplace level, in some cases because there was a strong local champion who supported a particular program. Recent examples of partnerships that have come together to address a specific need include:

- The Canadian Union of Public Employees and the City of Winnipeg have negotiated a

\$3 million education fund in their current collective agreement to help people upgrade their basic skills (i.e., obtain their high school diploma) and train for the skills of the future.

- The Communications, Energy and Paperworkers Union of Canada has negotiated a training program for some of its older employees to provide a transition from very demanding physical work to work more appropriate for their age group.

Labour respondents acknowledged that some collective agreements could be an obstacle to the assessment and recognition of prior learning, as agreements do not always distinguish between qualifications and competency.

Many unions have started to incorporate into their collective agreements specific ratios of apprentices to skilled workers. This is one approach to addressing the looming demographic crunch. Some labour participants would like

¹ The Board of the Canadian Labour and Business Centre comprises business and labour leaders from all regions of the country and a wide range of industries and economic sectors. Senior representatives from the federal, provincial and territorial governments and from the post-secondary education sector also participate on the Board.

to see companies that follow this approach rewarded through either tax credits or payroll tax reductions.

Examples of this are:

- The Communications, Energy and Paperworkers Union of Canada and the Pulp and Paper Woodworkers union have proposed one apprentice position for every five skilled tradespersons.
- CAW-Canada and the Big Three auto companies (General Motors, Ford and Chrysler-Daimler) negotiated in their current contracts a ratio of one apprentice for every seven skilled tradespersons.

Training

Recognizing that the likelihood of a national training tax is somewhat remote, many unions are proposing training funds, similar to the arrangements between the City of Winnipeg and Canadian Union of Public Employees. These training funds would be established and jointly administered by the union and the employer to assist workers in upgrading their skills either with basic programs (literacy, numeracy, etc.) or with courses that provide them with the skills needed for the future.

The training funds could be an innovative way to help older workers make a transition from one job to another. Rather than leave the labour force due to long-term disability or early retirement, older workers would receive training that would enable them to use their current skills in a different fashion.

Older workers have skills and abilities that should be utilized rather than lost when they retire.

The Ontario Secondary School Teachers' Federation has developed a protocol for allowing people in industry to be certified as teachers. These instructors are paid according to the salary scales set by the Teachers' Federation.

Phased-in retirement might be one way to encourage experienced workers to mentor younger workers. A mentoring program would help younger workers solidify skill sets that are learned in an academic setting.

Older workers have skills and abilities that should be utilized rather than lost when they retire.

Labour respondents urged stronger support for union training centres and programs, and greater co-operation between public and private sector unions on training. Many private sector unions, particularly in the construction trades, negotiate training through their training trusts. The training trusts are run by the unions, usually on their premises. Many of the public sector unions, especially those who work in the community college system, view this as a competitive system. The labour movement recognizes that there is much to be gained by working co-operatively.

Some university administrators mentioned that they are looking at new working arrangements—alleviating the teaching load of faculty by hiring so-called teacher masters, hiring retired professors on contract for teaching and student supervision duties, moving lecturers into the faculty stream, and so on—as possible solutions to their recruitment and retention difficulties. Such avenues can only

be explored in the context of new collective agreements and will require support from labour.

Working with Community Groups

There is a recognition that the labour community needs to communicate with the Aboriginal population. There are cultural differences that need to be addressed. The Aboriginal population, particularly in the western provinces, will make up a large proportion of new entrants to the labour market in the coming years. A number of unions such as the United Steelworkers of America have developed specific programs to address the needs of Aboriginal workers.

Similarly, labour recognizes the importance of working more extensively with new immigrant communities, many members of which have specific needs such as basic English or French second-language training.

Actions by Business

Many business representatives expressed a need for the business community to "step up to the plate" to play its role in addressing skills issues. As described by business respondents, this role has a variety of dimensions.

Business Training Efforts

There is recognition that higher levels of training will be needed in future to offset difficulties in recruitment. The point was also made that such training levels should not be reduced at the first sign of an economic downturn.

In response, the Canadian Manufacturers and Exporters have undertaken to champion an industry initiative to expand private sector training. An action plan is being designed to address the skills gap, particularly in manufacturing and export sectors. The Canadian Manufacturers and Exporters wish to work closely with government agencies to expand existing skills training and transition training programs, and with educational institutions to raise awareness in high schools concerning opportunities and skills requirements. They also realize that industry must make a commitment to expand private sector training budgets to ensure a growth in the skills and knowledge of current workers. Leadership of this sort is necessary to draw attention to the need to increase training levels.

in different trades areas) would produce workers with skill sets more tailored to particular employer needs. The viability of and support for modular training varies from sector to sector.

Effective Apprenticeship

Business respondents identified a critical need to improve approaches to apprenticeship by enhancing the attractiveness of the trades and the effectiveness of trades

All parties must take opportunities to share and co-ordinate approaches across jurisdictions through organizations such as the Canadian Apprenticeship Forum. The Canadian Manufacturers and Exporters, for example, is making industrial apprenticeship a priority for its members.

Many employers pointed to the need to support and promote specific initiatives such as the Skills Canada competitions to create visibility and publicity for excellence among trades trainees.

The Canadian Manufacturers and Exporters wish to work closely with government agencies to expand existing skills training and transition training programs, and with educational institutions to raise awareness in high schools concerning opportunities and skills requirements.

Effective Links to the Education System

Partnerships with schools, which many business representatives identified as essential, require the active involvement of employers. The opportunities to use business representatives and resources to support educational institutions are many and varied. They include, for example,

1. providing opportunities for co-op placements or internships;
2. participating on curriculum advisory committees;
3. participating in programs to exchange business and teaching staff, in either direction; (For example: A program has been set up in the Manitoba aerospace industry under which a teacher spends a year in the industry to do a specific agreed-upon project with a skills or training focus. In some cases, teachers have sat on industry hiring panels; in others, they have overseen the development of skills-based, company-wide occupational profiles.)

Modular Training

As one business representative put it, "we have to decide on the kind of training we want." Discussion of this issue, most frequent in western Canada and with representatives of residential and non-residential construction, reflected two different views of skills training approaches, particularly in terms of apprenticeship.

One group favoured a full apprenticeship approach to trades training in which certification, and the mobility rights that accompany this, would be granted after completion of a full apprenticeship program that included all aspects of the trade. Another favoured a modular approach to training, in which recognition of completed modules (some of which might be

training. On both these fronts, the role played by employers will be critical to success. In partnership with provincial governments, employers will have to take greater ownership of the system to make it work for them.

Alberta's industry-led apprenticeship approach enjoyed strong support from both industry and government. The system, based on local and regional industry committees with labour and business representation, produces curricula that meet industry needs in a flexible way and maintains industry "ownership" of the system. Significantly, the provincial government supports the work of these committees through staff and secretariat roles.

4. initiating arrangements whereby business contributes and regularly renews the equipment being used in institutions, in return for training places or other considerations;

(For example: Ontario's Durham College has agreements by which local employers regularly update the equipment it uses in its courses. Ontario Power Generation is part of a consortium of employers that supplies tools and equipment to colleges, as well as co-op opportunities, in return for training aimed at industry needs.)

5. funding university research chairs in particular fields, which keeps top academic staff in Canada and, with them, a core of graduate students who serve as the source of further academic staff and professionals in these fields.

(For example: The Strategic Microelectronics Consortium is working on Empowr, a program in which matching industry and federal government contributions of \$500 million will fund five research chairs in microelectronics. Similarly, Ontario Power Generation is funding research chairs in nuclear engineering at five Ontario universities, to retain key staff and students

and provide an ongoing source of qualified engineering expertise.)

In addition, business representatives recognized that while larger employers are likely to have the human and financial resources to participate in these partnerships, there is also a clear need to find a way to engage smaller employers and their workers in this way.

Business Actions on Credentials Recognition

There is a need for employers to press for improved credentials recognition processes for foreign-trained workers. The Canadian Manufacturers and Exporters and the Business Council of British Columbia were among the business associations calling for improvements in this area.

Since provincially mandated credentials assessment agencies exist in four provinces, employers and their associations in these provinces are well positioned to encourage their use and to provide opportunities for them to publicize their services. Employers should also consider engaging provincial regulatory and licensing bodies in discussions of how to speed up the process by which these bodies grant recognition of foreign credentials.

Finally, a number of business respondents noted that effective recognition of the work experience of foreign-trained workers constitutes a further means of identifying the skills they bring to Canadian employers. Prior learning assessment and recognition approaches constitute a valuable tool in this regard, and should be used more extensively by employers.

Creating Opportunities for Aboriginals

Business respondents, particularly in Manitoba, Saskatchewan and Alberta, were sensitive to the need to include Aboriginals effectively in the work force. Many noted both the obstacles to be addressed in this regard and examples of partnerships between businesses or business associations and Aboriginal organizations that were designed to address these obstacles.

Such partnerships, many of which involve job training, placement and mentoring, were seen as leading the way for expansion to include more businesses and more placements. Business representatives conveyed the need for employers and employers' associations to participate in such initiatives.

UNION BARGAINING PRIORITIES IN THE NEW ECONOMY: RESULTS FROM THE 2000 HRDC SURVEY ON INNOVATION AND CHANGE IN LABOUR ORGANIZATIONS IN CANADA

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Collective bargaining is at the heart of unions' attempts to protect and improve the wages and working conditions of their members. Each year, thousands of union and employer negotiators in Canada seek to come to some agreement about the terms and conditions that should govern the employment relationship in their workplaces. These negotiations invariably reflect the particular environmental features of the industries in which they take place as well as the comparative organizational capacities and the broader philosophies and objectives of the parties to the negotiation. This article seeks to identify key trends over the last bargaining round as perceived by the major labour organizations across Canada.

Over the winter and spring of 2000-2001, on behalf of the Workplace Information Directorate of Human Resources Development Canada and in co-operation with a broad range of union organizations, we conducted a survey of innovation and change in labour organizations in Canada. The targeted population was the 205 national and international unions of 500 or more members in Canada, which accounted for a little more than 3.8 million union members. Due to the great union interest and co-operation in this survey, the response rate was very high: 120 national unions (58.5 per cent of the sample) covering a little more than 3 million members (79.7 per cent of members in the targeted population). The typical respondent was a senior official or staff person in a provincial or national union, such as a teachers' or nurses union at provincial level or an industry or occupational federation of a labour central in Quebec or a construction or multi-industry union at national level, reporting on trends in their own

organizational practices and the bargaining environment and priorities in their major sector. We received responses from every province and territory. In the previous issue of the *Workplace Gazette*, we presented an overview of the diffusion of different innovative practices and technologies. In this issue, we profile some of the major bargaining and environmental trends emerging out of this survey.

The survey asked unions to describe in detail the nature and scope of the changes in the bargaining environment, bargaining priorities, and the degree of success they have achieved in their bargaining objectives in the major industry or sector in the last bargaining round. This means that a major union, covering a multitude of industries, was asked only to report on those trends for its major concentration of membership.

— This survey was conducted at the behest and with the support of the Workplace Information Directorate of Human Resources Development Canada. However, the interpretation remains the sole responsibility of the authors. We wish to thank Lucie Morissette, Bruce Aldridge and Nicolas Roby for their tremendous help in the administration and the compilation of the survey, Herbert Law for his assistance in the construction of the tables in this article and Suzanne Payette for her invaluable input throughout the entire research process.

Above all, it would not have been possible to present such a complete set of results without the support of many persons and organizations in the Canadian labour movement and we especially wish to acknowledge their contribution to this larger study of the processes of union renewal in Canada for which we have also benefited from the support of Social Sciences and Humanities Research Council and the Fonds pour la formation de chercheurs et l'aide à la recherche.

The survey responses covered a diverse range of industries in both public and private sectors: from grain handling and agri-business to manufacturing, construction, transportation, communications, utilities, trade, and private and public services including health, education and public administration. Seven out of ten respondents were reporting for industries in the public sector. This reflects the fact that the distribution of union organizations tends to be more decentralized in the public sector; for example, separate unions for teachers, nurses and civil servants in each province and territory. The responses related to a total of 8,797 bargaining units of varying sizes from 2 to 48,000 and covering just over 2 million workers, over one half of all workers covered by collective agreements in Canada. Roughly half of respondents had more than 5,000 members in the particular industry for which they were reporting. A majority (52.7 per cent) of the industries, for which responses were provided, involved more than one bargaining unit. The largest bargaining unit in the particular industry for which they were reporting was more than 1,800 workers for more than half of the survey respondents. The estimated average union density in the industries was 81.9 per cent, ranging between 8.0 and 100 per cent. Less than 10 per cent of respondents reported a union density in their key industry of less than 50 per cent and more than 60 per cent reported a union density greater than 80 per cent in that industry. The average union density for public sector respondents was 88.2 per cent whereas it was 69.2 per cent for private sector respondents. In other words, the reporting unions tended to be in highly unionized industries and this reflects the overall distribution of union membership in Canada; particularly in the public sector where union density is very high.

This article first gives an overview of the bargaining environment over the last three years and its implications for labour-management relations and union members' identification with their unions. The second section focuses on bargaining approaches and policies on the part of the major unions in Canada. Finally, in the last three sections, we successively examine bargaining priorities, bargaining success and the factors that union respondents believe are significant in achieving bargaining success.

Bargaining Environment

Respondents were asked to indicate specific trends over the last three years for aspects of their major industry bargaining environment (see Table 1). It

should be recalled that this was generally a period of economic expansion and that the period covered over these three years (1998-2001) would probably not capture the recent onset of a severe downturn in the economy.

Union Representation

Two-fifths (40.8 per cent) of respondents reported an increase in the overall level of employment in their industry. Over one-third (38.2 per cent) reported moderate to significant decreases and these decreases were more likely to have occurred in the public sector. Over one fifth (21.2 per cent) responded that overall employment stayed the same during the past three years.

As for the number of workers represented, 45.3 per cent of unions reported an increase, 24.0 per cent experienced a decline and 30.8 per cent reported no change. Similarly, 23.3 per cent indicated an increase in union density in their major industry, 70.3 per cent reported that it had stayed the same and only 5.4 per cent experienced a moderate decline. Little variation in these trends was observed between public and private sectors.

To summarize, while Canadian union respondents reported uneven growth in the overall level of employment, it did not translate into particular pressures on either the number of members or the level of union density. The more pronounced tendency in the case of union membership was to report an increase while the overwhelming tendency for union density was one of stability. It should be emphasized, however, that this stability must be located in the context of industries where the level of union density is already relatively high. In other words, Canadian union membership fortunes remain buoyant where they are already well established.

Competitive Environment

Canadian unions continue to face an increasingly competitive environment together with rapid technological change and downward pressures on public spending.

A majority (54.6 per cent) reported modest to significant increases in the degree of domestic or international competition in their industry. Over two-fifths (41.6 per cent) believed that there has been no change.

More than four-fifths (84.5 per cent) reported an increase in the pace of technological change while 15.5 per cent indicated that the pace of change had remained the same. Similarly, nearly four-fifths (78.2 per cent) stated that the extent of industrial/organizational restructuring has increased; 18.2 per cent believed that there has been no change. Neither the degree of technological change nor industrial restructuring appear to differ significantly in public and private sectors.

The overall pressures on public spending are evident in the union responses on the extent of government spending in their industry: 45.2 per cent of respondents reported a decrease in government spending, 27.9 per cent believed that it had increased, and 26.9 per cent indicated that the spending was unchanged. Similarly, while one-half (50.0 per cent) of respondents stated that government regulation of their industry showed no change over the past three years, 27.6 per cent reported an increase and 22.4 per cent a decrease.

Management Strategies

The aforementioned economic pressures are certainly evident in the union respondents' reading of trends in management strategies in their major industry. Over three-fourths of respondents reported modest to significant increases in management emphasis on cost reduction. Nearly one-half further indicated an increase in downsizing/layoffs (46.5 per cent), level of outsourcing and contracting-out (47.3 per cent) and the extent of closures/mergers/amalgamations (60.2 per cent). Two-fifths of respondents also reported an increase in the degree of privatization, although a majority (56.8 per cent) believed that it has stayed the same over the past three years. With the exception of downsizing and layoffs, fewer than one in ten respondents report a decrease in these strategies. These overall trends in management strategies do not differ significantly between public and private sectors.

Work Environment

Unionized workers in Canada appear to face very strong pressures on their workload or pace of work. An overwhelming majority of union respondents (86.6 per cent) reported that their members have experienced modest to significant increases in workload or the pace of work. Almost one-half (46.7 per cent) reported an increase in health and safety risks. On the other hand, a majority identified

the following as unchanged over the past three years: health and safety risks (50.8 per cent), level of job security (52.9 per cent), promotional/advancement opportunities (63.4 per cent), worker access to training and retraining (48.7 per cent) and the degree of worker influence over their job (59.0 per cent).

These pressures appear to be much greater in the public sector than the private sector. Thus, public sector unions report significantly higher increases in workload and health and safety risks and reduced promotional opportunities and influence over the job for their members. The contrast in worker access to training and retraining opportunities was even greater as public sector workers were more likely to have experienced a decreased access to such opportunities, while the dominant trend reported by private sector unions was one of increased access.

Workplace Practices

The survey indicates that unions continue to face increasing efforts by employers to change the organization of work. Almost two-thirds of unions report an increase in multi-skilling/multi-tasking and the use of part-time/contract/temporary workers. Only one-third of unions report an increase in job rotation and cross-training, quality certification and team working or group-based work systems. The dominant trend on these indicators is one of stability with more than one-half of unions surveyed indicating that there has been no change in such workplace practices, neither in the use of quality improvement groups, nor in the use of variable payment systems. There is little variation between public and private sectors on these items except on the use of part-time, contract and temporary workers and multi-skilling/multi-tasking. Public sector unions are more likely to report both increases and decreases in the incidence of non-standard work and an increase in multi-skilling/multi-tasking.

Overall, the trend in workplace transparency and co-operation appears quite mixed. While somewhat more than half of respondent unions report stability or no change over the past three years in the incidence of information-sharing by employers, the degree of communication and consultation on workplace issues and employer initiatives for co-operation in workplace change, almost as many respondents report a decrease as an increase. Some of these trends are further accentuated when the sectoral location is taken into account. In particular, judging by survey responses, information-sharing, consultation,

employer initiatives for co-operation and direct communication by employers with union members are more likely to have decreased in the public sector. At the same time, public sector unions are also more likely to report an increase in information-sharing and co-operation initiatives. It is probably safe to assume that the environmental pressures are being translated in a variety of ways in the public sector: sometimes in terms of decreased transparency and less co-operation; other times, through increased transparency and greater co-operation. In brief, it would appear that stronger environmental and organizational pressures have led to a more volatile mix of conflict and cooperation in public sector bargaining relations.

Bargaining/Labour-Management Relationships

Survey results reveal a mixed pattern of both stability and adverse change in bargaining/labour-management relationships, over the past three years.

Based on union respondents' perceptions, employers are certainly more likely to be increasing demands for concessions than not. Nearly two-fifths to one-half of union respondents reported modest or significant increases in employer demands for concessions in wages and benefits (42.6 per cent) as well as work rules (51.5 per cent), but four out of ten respondents also report stability in this respect. In other words, competitive conditions and public sector restraints continue to exert considerable pressures on the bargaining process.

These pressures are expressed in different ways in terms of the degree of co-operation and conflict in the bargaining relationship. The dominant trend is certainly one of relative stability. A little over one-half of unions reported that union-management co-operation (52.1 per cent) and employer desire for greater union involvement in the change process (51.3 per cent) have not changed over the past three years. However, nearly one-third (30.8 per cent) believe that attempts to involve unions in the change process have increased and almost one-quarter (23.5 per cent) indicate an increase in union-management co-operation. At the same time, another quarter (24.4 per cent) of respondents report decreased co-operation and more than a third (36.8 per cent) point to an increase in employer attempts to undermine union credibility in the work place. Overall, it is more likely that union-management conflicts have increased (37.8 per cent) than decreased (10.9 per cent).

Employer bargaining power is either fairly stable (51.3 per cent) or has increased (42.0 per cent) whereas union respondents report that their own bargaining power is somewhat more likely to have decreased (32.2 per cent) than to have increased (25.4 per cent). When these two trends in employer and union bargaining power are combined, the most common configuration (approximately 32.2 per cent of respondents) is one of stability, in which the union respondent evaluates that both union and employer bargaining power are fairly stable. The other significant configurations are an increase in employer bargaining power and a decrease in union bargaining power and an increase in employer bargaining power and relative stability in union bargaining power (10.1 per cent of respondents). Only 5.9 per cent of unions report an actual decrease in the bargaining power of employers accompanied by an increase in union bargaining power. Another 16.1 per cent report a relative stability in employer bargaining power and an increase in union bargaining power. In other words, according to the perception of union observers, employer bargaining power is clearly more likely to have increased (42.0 per cent) than union bargaining power (25.4 per cent) whereas union bargaining power is more likely to have decreased (32.2 per cent) than employer bargaining power (6.7 per cent). While almost a third of respondents report a significant degree of stability in relative bargaining power, almost three in ten respondents indicate that their union has experienced a decline in bargaining power at the same time that the employer has increased relative bargaining power. However, more than one-fifth of unions have experienced an increase in bargaining power at the same time as employer bargaining power has either remained stable or decreased.

In terms of the mechanics of the bargaining relationship, the survey results suggest that the length of time it takes to conclude a collective agreement is much more likely to have increased (46.6 per cent) than to have decreased (6.8 per cent). This trend towards an increasing length of time to conclude an agreement is especially prevalent in the public sector (50.1 per cent of respondents in the public sector as opposed to 35.3 per cent in the private sector) whereas the length of time it takes to conclude a collective agreement is much more stable in the private sector (64.7 per cent of respondents). While the major trend is one of relative stability in the duration of agreements (55.2 per cent) and in the use of interest-based bargaining (54.6 per cent), the percentage of collective agreements of a duration longer than three years is

more likely to have increased (34.3 per cent) than to have decreased (10.5 per cent). Respondents are also more likely to have increased their recourse to new bargaining techniques (31.9 per cent) than to have decreased their use of such techniques (13.4 per cent).

Finally, the survey responses reveal a high degree of stability in coordinated bargaining between different bargaining units of the same employer (70.9 per cent), and in the use of pattern agreements between different employers in the same industry (64.8 per cent). However, unions are five or six times more likely to report an increase than a decrease in coordination and patterns and the recourse to pattern agreements is much more likely again in the public sector than in the private sector. In contrast, a small number of unions in the private sector report a decline in the use of patterns.

Union Practices and Relationships with their Members

Despite the evident pressures on the bargaining relationship, the signs of membership support for the union and its actions appear fairly positive. More than one-third to two-fifths of respondents reported modest to significant increases in worker trust/confidence in their union (34.4 per cent), level of membership support in contract ratification votes (43.6 per cent) and union coordination of its bargaining objectives between different units in the industry (37.3 per cent). Three-fifths (61.7 per cent) indicated no change in bargaining coordination. Almost one-half (46.2 per cent) also suggested that worker trust in their unions and level of membership support in contract ratification has stayed the same. Only one in ten respondents reported a decrease in membership support in contract ratification votes and two in ten in worker trust and/or confidence in the union during the preceding three years.

Table 1
Changes in Bargaining Environment over the Last Three Years

	Increase (%)	No Change (%)	Decrease (%)
Union Representation			
Overall level of employment in the industry (n=118)	40.7	21.2	38.2
Number of workers your union represents in this industry (n=117)	45.3	30.8	24.0
Union density in the industry (n=111)	24.3	70.3	5.4
Competitive Environment			
Degree of domestic/ international competition (n= 77)	54.6	41.6	3.9
Pace of technological change (n=110)	84.5	15.5	0.0
Extent of industrial/organizational restructuring (n=110)	78.2	18.2	3.6
Extent of government spending in the industry (n=104)	27.9	26.9	45.2
Extent of government regulation of the industry (n= 98)	27.6	50.0	22.4
Management Strategies			
Management emphasis on cost reduction (n=118)	75.4	16.1	8.5
Degree of downsizing/layoffs (n=114)	46.5	36.8	16.6
Level of outsourcing/contracting-out (n=110)	47.3	48.2	4.5
Degree of privatization (n= 95)	40.0	56.8	3.2
Extent of closures/mergers/amalgamations (n=103)	60.2	32.0	7.8
Work Environment of Members			
Level of job security (n=119)	18.5	52.9	28.6
Workload or pace of work (n=119)	86.6	11.8	1.7
Health and safety risks (n=118)	46.7	50.8	2.5
Promotional/advancement opportunities (n=112)	15.2	63.4	21.5
Worker access to training/retraining opportunities (n=117)	23.1	48.7	28.2
Degree of worker influence over their particular jobs (n=117)	12.0	59.0	29.0

continued

Table 1 (continued)

Changes in Bargaining Environment over the Last Three Years

	Increase (%)	No Change (%)	Decrease (%)
Workplace Practices			
Extent of multi-tasking/multi-skilling..... (n=114)	68.4	29.8	1.8
Extent of job rotation/cross-training..... (n=103)	34.9	61.2	3.9
Use of quality improvement groups (<i>kaizen</i> , QC, etc)..... (n= 88)	20.4	64.8	14.7
Use of team working/group-based work systems..... (n=102)	35.3	53.9	10.7
Extent of quality certification (ISO, QS)..... (n= 79)	37.9	54.4	7.6
Use of variable payment systems (eg., profit sharing)..... (n= 55)	27.3	69.1	3.6
Use of part-time/contract/temporary workers..... (n=109)	64.2	30.3	5.5
Incidence of information-sharing by employers..... (n=110)	23.6	54.5	21.8
Degree of consultation/communication on workplace issues..... (n=115)	26.1	52.2	21.7
Employer initiatives for cooperation in workplace change..... (n=115)	23.5	54.8	21.7
Direct employer communication with members rather than through union..... (n=115)	34.0	59.1	7.0
Bargaining/Labour-Management Relationships			
Employer demands for concessions in wages and benefits... (n=115)	42.6	39.1	18.2
Employer demands for concessions in work rules..... (n=101)	51.5	40.6	7.9
Employers seeking greater union involvement in change processes..... (n=117)	30.8	51.3	17.9
Employers seeking to undermine union credibility in the workplace..... (n=114)	36.8	53.5	9.6
Union-management conflicts..... (n=114)	37.8	51.3	10.9
Union-management cooperation..... (n=119)	23.5	52.1	24.4
Employer bargaining power..... (n=119)	42.0	51.3	6.7
Union bargaining power..... (n=118)	25.4	42.4	32.2
Length of time it takes to conclude a collective agreement..... (n=118)	46.6	46.6	6.8
Percentage of collective agreements of a duration longer than three years..... (n= 96)	34.3	55.2	10.5
Coordinated bargaining between different bargaining units of the same employer..... (n= 86)	24.4	70.9	4.7
Pattern agreements between different employers in the same industry..... (n= 71)	29.5	64.8	5.6
Use of new bargaining techniques such as interest-based bargaining..... (n= 97)	31.9	54.6	13.4
Union Practices and Relationship with Members			
Worker trust/confidence in the union..... (n=119)	34.4	46.2	19.3
Level of membership support in contract ratification votes..... (n=117)	43.6	46.2	10.3
Union coordination of its bargaining objectives between different units in the industry..... (n= 94)	37.3	61.7	1.1

n = number of respondents

Bargaining Approaches and Policies

Unions were asked about their different bargaining approaches and policies. In terms of membership input into the bargaining process, an overwhelming majority of respondent (78.1 per cent) indicated that their union always or almost always uses a formal mechanism for soliciting membership views on bargaining priorities and such mechanisms are more common in public sector unions than in private sector unions.

Coordination of bargaining objectives appears to be an important strategy pursued by unions in Canada. More than one-half of respondents (57.6 per cent) stated that their union fixes common objectives for its different bargaining units. A majority (51.8 per cent) of unions engage in coordinated bargaining with an employer with more than one bargaining unit. However,

pattern agreements with different employers in the same industry are not very common. Over one-third (38.5 per cent) always or almost always negotiate such pattern agreements. The same proportion (38.5 per cent) of respondents reported that they do not engage in pattern bargaining. Not surprisingly, pattern agreements are more commonly reported in the private sector than in the public sector (see Table 2).

The survey also asked respondents the degree to which their union pursued a comprehensive workplace change policy, namely a proactive approach or set of policy prescriptions for the changing workplace. One-third (33.0 per cent) of the unions surveyed suggested that they always or very often do so. However, over one-third (38.4 per cent) indicated that they do not or only rarely do so.

One of the more controversial bargaining issues over the last few bargaining rounds concerns longer-term

collective agreements; that is those of a duration of more than three years. Just over one-half of union respondents (54.0 per cent) reported that their union does not negotiate such agreements. Over three-fourths (78.9 per cent) of respondents also indicated that they do not have a policy on the negotiation of longer-term collective agreements. Among those unions that do have such a policy, there is a split between those unions that consider this policy unfavourable (41.7 per cent) and those unions that regard it as neither favourable nor unfavourable (54.2 per cent), i.e., that the negotiation of longer-term agreements depends on the circumstances. Of the thirty-one unions that indicated that they have a policy on this issue, only one was unambiguously in favour of such agreements. In other words, inasmuch as we observe a trend towards longer-term agreements in Canada, we can surmise that this is a response to particular environmental circumstances and/or employer policy positions in some industries because there does not appear to be a strong union policy impetus in this direction.

Table 2

Union Bargaining Policies and Approaches

	Always (%)	Sometimes (%)	Seldom (%)
Our union uses a formal mechanism for soliciting membership views on bargaining priorities (n=119)	78.1	16.0	5.9
Our union fixes common bargaining objectives for its different bargaining units (n=111)	57.6	19.8	22.5
Our union engages in coordinated bargaining with an employer with more than one bargaining unit (n=110)	51.8	18.2	30.0
Our union negotiates pattern agreements with different employers in the same industry (n=109)	38.5	22.9	38.5
Our union pursues a comprehensive workplace change policy (n=112)	33.0	28.6	38.4

n = number of respondents

Bargaining Priorities

While unions report a wide range of bargaining priorities, some are clearly more important than others. We asked our respondents to attach a degree of priority to a list of items pursued in their major industry or sector during the last bargaining round (see Table 3).

In a first tier, by far the most important on the list of union priorities, are the protection and the improvement of wages and benefits. Nine out of ten respondents cited these two items as high or very high bargaining priorities during the last round.

A second tier of priorities concerns pensions, mechanisms for protecting and enhancing employment security and the protection of workers from the stresses of the workplace. Improved pensions and early retirement provisions were identified by six out of ten respondent unions as a high or very high priority. Among the employment security provisions identified as either high or very high priorities by more than 40 per cent of respondent unions, are restrictions on contracting-out and outsourcing (59.8 per cent), layoff protections (54.4 per cent) and improved training and retraining opportunities (45.7 per cent). Similarly, the control and regulation of workloads (53.8 per cent) and protection against harassment (44.3 per cent) were reported to be high or very high priority items by a significant proportion of respondents.

A third tier of priorities, identified as a high or very high priority during the last bargaining round by roughly one-third of unions includes a wide range of items concerned with the role of the union in the

workplace (increased union role in workplace decision-making, consultation or advance notice of change), protection for workers in the context of change (better severance pay, technological change provisions, guarantees of minimum levels of employment, merger/amalgamation protections and protocols, better health and safety), easing time pressures on individual workers (improved working hours or shift schedules, family-related leaves), equity issues such as employment equity and the strength of the union through the protection of pattern bargaining.

A fourth and last tier of priorities, identified as a high or very priority by less than a third of the unions participating in the survey, concerns questions of work time (restrictions on overtime, work time reduction and flextime), access to financial information in the workplace, the regulation of atypical employment and child care. Indeed, flextime (55.0 per cent), and day care or other child care provisions (59.6 per cent) were cited as areas of low priority for a majority of unions.

Table 3
Union Bargaining Priorities during the Last Bargaining Round

	High (%)	Moderate (%)	Low (%)
Increase wages and benefits (n=117)	90.6	6.8	2.6
Protect current wages and benefits (n=117)	88.9	5.1	6.0
Improved pensions and early retirement provisions (n=115)	61.8	20.9	17.4
Restrict contracting-out/outsourcing (n=112)	59.8	22.3	17.8
Layoff protections (n=114)	54.4	22.8	22.8
Control or regulate workloads (n=117)	53.8	31.6	14.6
Improved training and retraining opportunities (n=114)	45.7	35.1	19.3
Protection against harassment (n=113)	44.3	35.4	20.3
Improve working hours/shift schedules (n=115)	40.0	33.0	27.0
Family related leaves (n=113)	39.8	34.5	25.6
Increased union role in workplace decision-making (n=116)	38.8	35.3	25.8
Better severance pay provisions (n=112)	36.6	32.1	31.3
Employment equity (n=112)	35.7	30.4	33.9
Consultation on/advance notice of organizational change (n=111)	34.2	37.8	27.9
Technological change protections (n=115)	33.9	30.4	35.7
Health and safety improvements (n=115)	33.9	38.3	27.8
Guarantees of minimum levels of employment (n=113)	33.6	34.5	31.9
Maintain or protect pattern bargaining (n=102)	33.3	33.3	33.3
Merger/amalgamation protections and protocols (n=106)	32.1	35.8	32.1
Restrictions on overtime (n=107)	28.0	34.6	37.4
Access to financial information (n=111)	25.2	31.5	43.2
Work time reduction (n=114)	22.8	31.6	45.7
Control or regulate atypical employment (n=103)	19.5	36.9	43.7
Flextime (n=109)	12.0	33.0	55.0
Day care or other child care provisions (n=109)	8.2	32.1	59.6

n = number of respondents

As a rule, unions where the key membership group is concentrated in the private sector tend to attach a higher priority to a whole range of bargaining items. For example, contracting-out is likely to be a very high priority in the private sector whereas it is more likely to be a modest priority in the public sector unions. Other items of higher prioritization in the private sector include improving working hours and shift schedules, work-time reduction, minimum levels of employment, health and safety improvements, technological change protections, improved training and retraining opportunities, layoff protections, better severance pay, restrictions on overtime and improved pensions, access to financial information and controlling and regulating atypical employment. In other words, unions in the private sector tend to score higher on the list of priorities and are more likely to list a wider range of items as high or very high priorities. This difference might also result from the more restricted bargaining environment in many public sector workplaces, in terms of what is attainable but also what is negotiable.

Degree of Bargaining Success

We asked respondents to evaluate the level of success achieved on their bargaining priorities (see Table 4). A majority of Canadian unions reported achieving a high or very high degree of success on their two key priorities: protecting wages and benefits (80.9 per cent) and increasing current wages and benefits (54.9 per cent). More than a third of unions also indicated achieving a high or very high degree of success on improved pensions and early retirement provisions (42.2 per cent) and restricting contracting-out and outsourcing (36.5 per cent). Otherwise, less than a third of unions reported comparable degrees of success on all other items. More typically, unions were able to report a moderate to high degree of success on the majority of items listed. However, it appears that only very limited success was achieved on controlling or regulating atypical employment (45.7 per cent indicate a low degree of success), day care or other child care provisions (54.6 per cent) and reductions in working time (50.4 per cent). Despite

Table 4

Degree of Union Bargaining Success during the Last Bargaining Round

		High (%)	Moderate (%)	Low (%)
Protect current wages and benefits	(n=110)	80.9	16.4	2.7
Increase wages and benefits	(n=111)	54.9	32.4	12.6
Improved pensions and early retirement provisions	(n=109)	42.2	30.3	27.5
Protection against harassment	(n=104)	36.5	42.3	21.2
Restrict contracting-out/outsourcing	(n=106)	32.1	52.8	15.0
Maintain or protect pattern bargaining	(n= 91)	30.8	37.4	31.9
Family related leaves	(n=106)	28.3	41.5	30.2
Layoff protections	(n=106)	28.3	49.1	22.6
Better severance pay provisions	(n=101)	25.8	41.6	32.7
Improved training and retraining opportunities	(n=109)	24.7	43.1	32.1
Health and safety improvements	(n=108)	24.1	44.4	31.5
Employment equity	(n=104)	23.1	43.4	33.7
Merger/amalgamation protections and protocols	(n= 97)	20.7	47.4	32.0
Control or regulate workloads	(n=111)	19.8	50.5	29.7
Technological change protections	(n=107)	18.7	47.7	33.6
Consultation on/advance notice of organizational change	(n=100)	18.0	52.0	30.0
Guarantees of minimum levels of employment	(n=106)	17.0	42.5	40.5
Increased union role in workplace decision-making	(n=108)	15.8	49.1	35.2
Improve working hours/shift schedules	(n=108)	14.9	53.7	31.5
Flexitime	(n= 98)	14.3	45.9	39.8
Control or regulate atypical employment	(n= 92)	12.0	42.4	45.7
Work time reduction	(n=107)	11.2	38.3	50.4
Access to financial information	(n=101)	10.9	40.6	68.5
Restrictions on overtime	(n= 96)	10.5	47.9	41.7
Day care or other child care provisions	(n= 96)	4.0	41.4	54.6

n = number of respondents

the relative success achieved on some of these items, and they did tend to be higher priorities, the largest percentage point gaps between the degree of priority and the degree of success achieved concern increases in wages and benefits (a 34.0 percentage point gap), restricting contracting-out or outsourcing (23.3 percentage points), controlling or regulating workloads (23.0 percentage points) and layoff protections (22.3 percentage points), increasing the union role in workplace decision-making (19.7 percentage points) and improving pensions and early retirement provisions (19.6 percentage points). This suggests that even though a considerable degree of success was achieved in the last bargaining round on many of these high priority items, the ability of unions to achieve success on such items is both contested by employers and can fall short of their bargaining aspirations. On the other hand, despite the adverse environmental pressures, unions overall did appear to register a fairly high degree of success in protecting current wages and benefits (only an 8.0 point percentage gap).

If quite a number of items seemed to rate a higher degree of priority in the private sector, so too private sector negotiators reported being able to achieve a higher degree of success. Thus, a significantly higher degree of success was achieved in the private sector on the following issues: controlling or regulating workloads, improving training and retraining opportunities, consultation or advance notice of organizational change, technological change provisions and health and safety improvements. On no item was there a significant difference in favour of success achieved in the public sector. In other words, not only does the bargaining environment in the public sector appear more onerous but this is clearly reflected in the low degree of success reported by key union staffers and officers negotiating in the public sector in meeting their bargaining objectives.

Table 5 presents an overview of the relative degree of bargaining priority and bargaining success in the unions located mainly in the public sector and those located mainly in the private sector. Overall, we can once again see that the private sector respondents tended to place a higher degree of priority on a larger number of bargaining items and also report a somewhat higher degree of success on a few of these items. When testing for statistically significant differences between public and private sector bargaining environments, three patterns emerge from the results

reported in Table 5. First, and undoubtedly most importantly, although there are a substantial number of items that are a higher priority for private sector negotiators, they do not report a significantly higher degree of success than their public sector counterparts. These items include restrictions on contracting-out, improvements in work hours or shift schedules, minimum levels of employment, reductions in work hours, layoff protections, better severance pay, improvements in pensions and early retirement provisions and access to financial information. However, secondly, there are in fact some items that are a higher priority for private sector negotiators and on which they also report a significantly higher degree of success than their public sector counterparts. These items include core issues in workplace bargaining over the control of the pace of work and include regulating workloads, improving training, technological change protections and improvements in health and safety. Finally, although consultation on organizational change was not a significantly higher priority for unions in the private sector, they did report a significantly higher degree of success on this item than unions in the public sector.

Although more detailed analysis is required in order to disentangle the relative effects of the degree of priority as opposed to industry environment on relative bargaining success, several preliminary conclusions emerge from this analysis. First, unions in both public and private sectors have placed a high priority on protecting and increasing wages and they report a very high degree of success on the first of these items and a high degree of success on the latter, irrespective of the sector in which they are located. Second, the analysis of the remaining items underscores that the public sector bargaining environment remains a difficult one as public sector unions report a modest degree of success on a more limited range of bargaining priorities. Third, on a few items at least, private sector negotiators appear to attach a higher priority and to register a significantly higher degree of success than their public sector counterparts. However, fourth, and this also indicates that the private sector bargaining environment is a difficult one, on a large number of items, even though private sector negotiators attach a higher degree of priority to these items, they do not report significantly different results from those obtained in the public sector. These results no doubt translate the apparently greater pressures on union bargaining power in the last bargaining round.

Table 5

**Comparative Overview of Union Bargaining Priorities
and Successes in Public and Private Sectors during the Last Bargaining Round**

	Degree of Bargaining Priority		Degree of Bargaining Success	
	Public Sector	Private Sector	Public Sector	Private Sector
Very High	Increase wages, protect wages	Protect wages, increase wages, improve pensions, restrict contracting-out	Protect wages	Protect wages
High	Regulate workloads	Layoff protections, improve training, health and safety improvements, technological change protections, better severance pay	Increase wages	Increase wages
Modest	Improve pensions, restrict contracting-out, protections against harassment, layoff protections, family leave, improve training, improve working hours/shifts, increase union role in workplace decision-making	Improve working hours/shifts, regulate workloads, protections against harassment, restrictions on overtime, increase union role in workplace decision-making, minimum levels of employment, work time reduction, consultation on organizational change, maintain pattern bargaining, merger protections, employment equity	Protections against harassment, improve pensions, restrict contracting-out, layoff protections, maintain pattern bargaining	Improve pensions, restrict contracting-out, improve health and safety, improve training, technological change protections, protections against harassment, consultation on organizational change, regulate workloads, layoff protections, better severance pay
Low	Consultation on organizational change, employment equity, minimum levels of employment, better severance pay, merger protections, maintain pattern bargaining, improve health and safety, restrictions on overtime, technological change protections	Access to financial information, family leave, regulate atypical employment	Family leave, regulate workloads, improve working hours/shifts, better severance pay, merger protections, improve training, consultation on organizational change, employment equity, increase union role in workplace decision-making, improve health and safety, minimum levels of employment, flextime, restrictions on overtime	Maintain pattern bargaining, family leave, increase union role in workplace decision-making, employment equity, regulate atypical employment, improve working hours/shifts, merger protections, flextime, restrictions on overtime, work time reduction, minimum levels of employment, access to financial information
Very Low	Access to financial information, work time reduction, regulate atypical employment, flextime, child care	Flextime, child care	Technological change protections, work time reduction, regulate atypical employment, access to financial information, child care	Child care

Factors Explaining the Degree of Bargaining Success

Unions were also asked to identify the relative importance of various factors in explaining the degree of success (see Table 6) in their bargaining objectives during the last round of negotiation. The most important factors cited by a majority of unions included: the specific economic environment in the industry (considered to be important or extremely important by 69.0 per cent of respondents), union policy on major bargaining objectives (60.3 per cent), bargaining outcomes elsewhere in the industry (60.0 per cent), legislation or public policy (59.8 per cent), the employer's financial situation (57.7 per cent), members' willingness to take action on major bargaining objectives (56.8 per cent), employer attitudes (54.2 per cent) and the union's ability to coordinate bargaining objectives between different units in the industry (51.3 per cent).

It is clear, however, that the imperatives of bargaining success in the public and private sectors seem to be somewhat different. In particular, the specific economic environment and the union's ability to coordinate bargaining objectives between different units is significantly

more important in the private sector, whereas legislation and public policy are significantly more important in explaining public sector successes. Indeed, although many of the same factors appear to explain success in the two sectors, the first four factors identified by public sector respondents are legislation and/or public policy, the specific economic environment, members' willingness to take action and union bargaining policy. In contrast, private sector respondents identify the specific economic environment, union policy, the employer's financial situation and the union's ability to coordinate bargaining objectives between different units. Following on the results of this very preliminary analysis, and given that unions can probably have little impact on the specific economic environment, we might anticipate that public sector unions would be more likely to focus on political action linked to public policy, the willingness of their members to take action and union bargaining policy. In turn, private sector unions would be more concerned with union bargaining policy and their ability to coordinate objectives between different bargaining units as well as the financial situation of their particular employer.

Table 6
Factors Explaining the Degree of Union Bargaining Success

	Very Important (%)	Moderately Important (%)	Not Important (%)
The specific economic environment in the industry.....(n=116)	69.0	25.0	6.0
Your union's policy on your major bargaining objectives(n=116)	60.3	27.6	12.0
Bargaining outcomes elsewhere in the industry(n=115)	60.0	27.8	12.2
Legislation or public policy(n=117)	59.8	22.2	17.9
Employer's financial situation(n=118)	57.7	28.8	13.6
Your members' willingness to take action on your major objectives(n=118)	56.8	28.8	14.4
Employer attitudes(n=118)	54.2	32.2	13.5
Your union's ability to coordinate bargaining objectives between different units in your industry(n=113)	51.3	27.4	21.2
Employer's bargaining priorities(n=117)	45.3	36.8	18.0
The bargaining structure in your major sector(n=116)	44.8	36.2	19.0
Bargaining outcomes elsewhere in other industries(n=115)	25.2	35.7	39.1

n = number of respondents

Conclusion

The results of the 2000 Human Resources Development Canada Survey of Labour Organizations in Canada reported in this article clearly demonstrate that unions continue to face difficult challenges at the bargaining table. On the one hand, they are faced with finding an appropriate balance between defensive and proactive strategies to meet the diverse expectations of their members. On the other hand, when they seek to be proactive rather than reactive in their bargaining approaches and priorities, as many Canadian unions are attempting to do, they encounter significant hurdles in meeting their bargaining objectives. Irrespective of the sector in which they are located, union respondents indicate that they have attached a high or very high degree of priority to protecting and

increasing wages over the last bargaining round and they appear to have met considerable success in this objective. On the whole, despite their relative importance in union bargaining agenda, most other issues have met with more modest or even a low degree of success. The bargaining environment is particularly onerous for public sector unions where unions face strong employer resistance and where union bargaining power is weak due to successive rounds of fiscal restraints and a public policy shift towards privatization and contracting-out. Apparently, adaptations and adjustments to change in the internal and external environment are not easy in an adversarial institutional framework where one of the parties is likely to exercise any advantage in their relative balance of power to pursue basic bargaining and other organizational objectives.

Coming in the Next Issue!

More details from the 2000 HRDC Survey on Innovation and Change in Labour Organizations in Canada will be reported.

CONSIDERING LABOUR-MANAGEMENT RELATIONS ISSUES: ARE THE VIEWS OF UNIONS AND EMPLOYERS ALL THAT DIFFERENT?

Terry H. Wagar
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"Government 1, health unions 1." ¹ This headline on the front page of the Halifax Chronicle-Herald and Mail-Star summarized the outcome of two arbitration cases involving the provincial government and health care workers in the province. The first sentence of the article described the issue: "Nova Scotia's registered nurses have won a wage battle with the Hamm government, but other health care workers lost in an arbitrator's decision released Monday (August 13, 2001)." Why didn't the parties simply work together during the collective bargaining process and reach an agreement that met both their interests?

Over the past several decades, there have been continued calls for increased co-operation between labour and management. Furthermore, there is a substantial interest in interest-based or mutual gains bargaining as an alternative to the traditional bargaining process. However, a number of labour relations practitioners on both the employer and union side believe that the process of collective bargaining is one of conflict, and thus traditional adversarial bargaining is unlikely to disappear. Over the past number of years, I have been surveying and talking to employers and unions about industrial relations issues. In this article, I briefly summarize some of the literature related to labour-management co-operation and present the highlights of my research findings on the perceptions of management and union officials concerning labour relations.

Conflict or Co-operation?

Our industrial relations system has remained relatively unchanged over the past half century and is still relatively adversarial in nature. As Adams (1995) argues, adversarial industrial relations systems do not perform as well as systems based on a social partnership. Adams also observes that the *Wagner Act* model requires that workers take the initiative in establishing collective bargaining relationships while knowing that many employers are opposed to unions. Consequently, even with a successful organizing drive, the beginning of the new union-management relationship is already characterized by conflict and adversarialism (Adams, 2000).

Godard (2000) has identified two sources of conflict in labour-management relations. "Underlying sources of conflict" are those that exist as a result of the labour-management relationship in capitalist economies, while "contextual sources of conflict" are those that tend to vary depending on the organization, region, industry or country involved.

The underlying sources of conflict include:

- legal alienation (that is, most workers are not self-employed and thus they have relatively little input into the means and process of doing their work, the product or output of their labour, and the proceeds of their work);
- objective interest conflicts (in other words, employers have an interest in paying less for labour and maximizing productivity and efficiency, while employees have an interest in maximizing pay and benefits while reducing the amount of work they do);
- the nature of the employment relationship (workers generally have limited rights to participate in management and thus are subordinate to management; even in trusting relationships, employees may perceive that employer decisions are ultimately governed by the interests of owners); and

¹ Halifax Mail-Star, Tuesday, August 14, 2001, p. 1.

- the nature of the employment contract (the employment contract is both complex and ambiguous and thus there is considerable opportunity for disagreement concerning the employment relationship).

Contextual sources of conflict include:

- broader social inequalities (such as job loss and violation of the expectation of growing affluence for the society);
- labour market experience (such as unemployment and workplace safety issues); and
- the nature of the work itself (for example, the deskilling and intensification of work, job stress and work fatigue).

With regard to labour-management co-operation, Godard (2000) points out that co-operation may be obtained by "coercion" or "consent." In some instances, workers feel that they have no choice but to co-operate if they wish to earn a living or keep their job. In other cases, workers consent to co-operate, and good employers are able to earn the trust and commitment of the workforce.

There has been considerable attention on mutual gains or "win-win" bargaining (Kochan and Osterman, 1994; Cutcher-Gershenfeld, Power and McCabe-Power, 1996), but the reality is that the collective bargaining process is often characterized by conflict and an adversarial approach to negotiation (Godard, 2000). While there is evidence that unions can play a major role in the implementation of workplace change (Cooke, 1992), the literature underscores the importance of a long-term commitment on the part of both labour and management and the establishment of a relationship of trust and openness. However, as Godard and Delaney (2000) observe, the trust and co-operation necessary to ensure the survival and success of joint labour-management initiatives may be difficult to achieve. Once achieved, they may be extremely fragile and difficult to maintain.

According to Wells (1997), it is often difficult to secure the level of trust needed to ensure the success of involvement programs. For unions, greater worker control over the labour process, a meaningful say in issues relating to labour process change, and clear standards for employee representatives are important. Moreover, some of the "high-involvement work

practices" fly in the face of traditional union values. In addition, the effect of such practices on employees is open to considerable debate, and many union leaders are sceptical about the effect of high-involvement practices on members (Godard and Delaney, 2000; Osterman, 2000).

The Co-operation: Movement and the Dilemma of Co-operation

The Canadian Labour and Business Centre (2000) notes that the relationship between union and management has important impacts on the economic and social well-being of Canadians and the performance of organizations in Canada. In its study, the Centre found that unions expressed more negative views than management on most labour-management relations issues, including the current state of labour relations, changes in the relationship over the past two years, expected changes over the next two years, and the association between labour-management relations and economic performance.

Proponents of labour-management co-operation point to several advantages for both management and unions. Advantages for employers generally include access to the intellectual capacity of the workforce, smoother transitions when cost cutting is required, enhanced organizational performance, improved relationships that will foster teamwork and problem solving, greater productivity, retention and attraction of skilled employees, and commitment and trust by workers. Advantages for labour typically include greater economic security, access to information and a greater role in decision-making, more participation in the change management process, support for displaced workers, and more input into resolving problems at work (CLMPC, 1997).

As noted by the Canadian Labour Market and Productivity Centre, it is critical that both labour and management see the need for change, recognize the costs and benefits to both parties, have leaders committed to the change process, and have a relationship that is strong enough to support the process. It is essential that both sides recognize the legitimacy of the other party, have sufficient mutual trust to enter into a joint process, and be comfortable with that process. Moreover, both sides must be willing to share information, and resources must be available to support the change process.

However, co-operation between labour and management may present a dilemma for unions (Peetz, 1996). On the one hand, it can be asserted that unions will survive only if they embrace the concept of co-operation with management. On the other hand, co-operation with management is seen as a recipe for self-destruction, as both potential and existing union members expect that the union will stand up and fight for their rights. By way of example, does giving employees more control over their work represent a gain from the union perspective, or will it detach workers from the union and ultimately hand control to employers? Are employers seeking to involve employees as a means of bypassing union representation?

Union and Employer Views on Labour-Management Issues

During the 1997–1998 period, union officials and employers were surveyed concerning a broad range of human resource management and industrial relations issues. Note that the responses presented in this paper are not matched,² and the questionnaires to employers and union officials were not identical. Employers were asked to respond to the questions with respect to their largest bargaining unit (if more than one unit was present at the workplace). While the surveys dealt with a variety of issues, the focus of this paper is to compare employer and union views concerning the importance of the human resources of the organization, employee involvement in new-technology decisions, the labour climate and support for co-operative programs.

The Importance of the Organization's People

We frequently hear senior managers assert that "our people are our most important asset." In order to get some overall measure of how unions and employers perceive the importance of the human resources within the organization, respondents were asked to indicate their level of agreement (1 = strongly disagree; 6 = strongly agree) with the statement "the organization supports the position that its people are its most important asset." The overall average for union respondents was 3.10 (on the six-point scale), while the mean score for employer participants was 4.86. Further breakdown of the results is provided in

Figure 1, which shows a noticeable difference of opinion between union and employer respondents concerning the importance of people in the organization. Approximately 91 per cent of employer respondents expressed some level of agreement with the statement that people are the organization's most important asset (a score of 4 or higher), compared with only 40 per cent of union officials. In short, while there are variations in perception, the overall results indicate that from the perspective of organized labour, a number of organizations do not view employees as their most important asset.

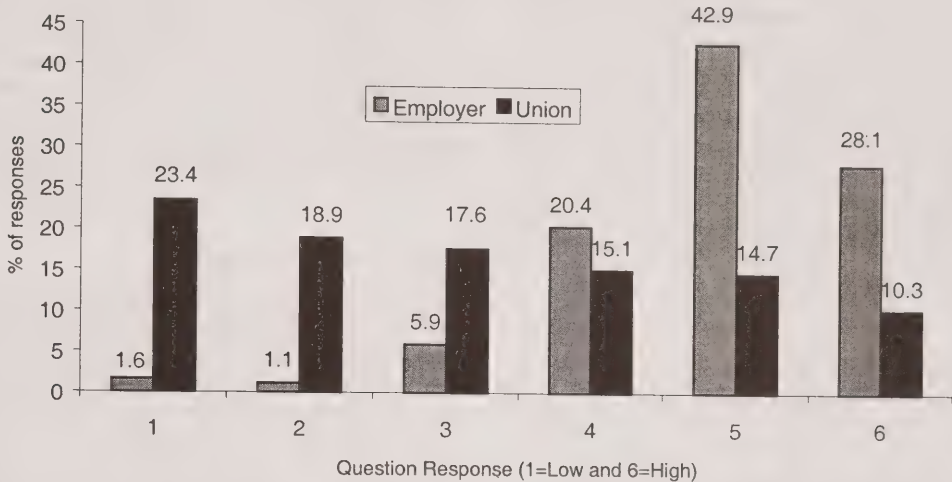
Ideology and Labour-Management Climate

Work by Goll (1991) indicated that the decision-making ideology of the employer in unionized organizations was associated with the presence of employee involvement programs, while Osterman (1994) found that the presence of flexible work practices was related to managerial values. Both the employer and union surveys had a three-item scale addressing decision-making ideology, with each item measured using a six-point scale (1 = strong disagreement and 6 = strong agreement with the statement). The three items addressed whether the employer used participative decision-making, whether open channels of communication were present, and whether the employer explained proposed changes to those affected by them. Cronbach's coefficient alpha was .80 for the employer sample and .88 for the union sample.

As indicated in Figure 2, the average score for employer respondents on the decision-making ideology scale was 4.44 (out of a maximum score of 6), while the mean union score was only 2.97. Further analysis indicated that only 12 per cent of employers had a score of 3.50 or less (compared with 66 per cent of the union officials). Furthermore, 37 per cent of employer respondents had a mean score of 5.00 or greater (compared with only 8 per cent of union participants). Although the two samples are not matched, the pattern of results suggests noticeable differences between the parties in terms of their perceptions of decision-making ideology, with union respondents tending to be considerably less positive in their assessment.

² The union and employer responses do not necessarily come from the same organization. In other words, I may have a response from an employer but not from the union present at that workplace, or a union response but not an employer response.

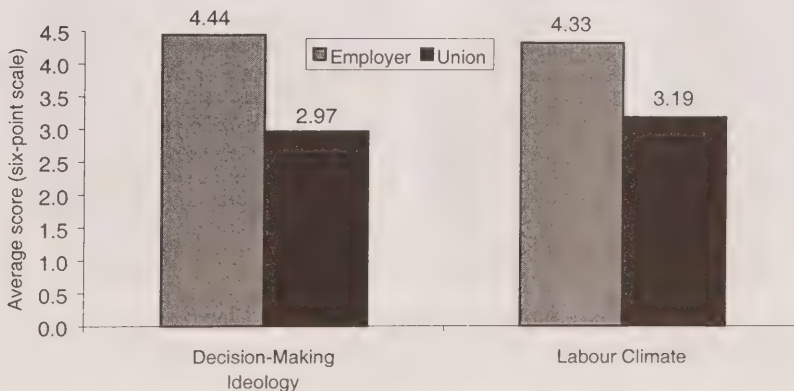
Figure 1
Importance of Human Resources



A second set of questions examined the labour-management climate using six items adapted from Dastmalchian, Blyton and Adamson (1991). Again, each of the six questions was measured on a six-point scale (1 = strong disagreement and 6 = strong agreement with the statement). The six items were: grievances are normally settled promptly, negotiations take place in an atmosphere of good faith, employees view the conditions of employment as fair, union and

management make sincere efforts to solve problems, management seeks union input before initiating changes, and the parties exchange information freely. The Cronbach's coefficient alpha was .85 for the employer sample and .89 for the union sample. Previous research has indicated that the labour-management climate may be associated with a number of employer and union outcomes (Wagar, 1997).

Figure 2
Ideology and Labour-Management Climate



Similar to the results for progressive decision-making ideology, the findings relating to labour-management climate (also contained in Figure 2) show major differences in the perceptions of employers and union officials. For example, the average employer score was 4.33, while the mean union score was only 3.19. Only 18 per cent of employer participants had a score of 3.50 or less (compared with 65 per cent of union participants), and 24 per cent of employers had an overall score of 5.00 or greater (compared with only 9 per cent of union officials). When considering the specific items comprising the scale, the biggest gap was for the statement that management seeks union input before initiating changes. The average employer score was 4.27, while the average union score was 2.72, for a gap of 1.55.

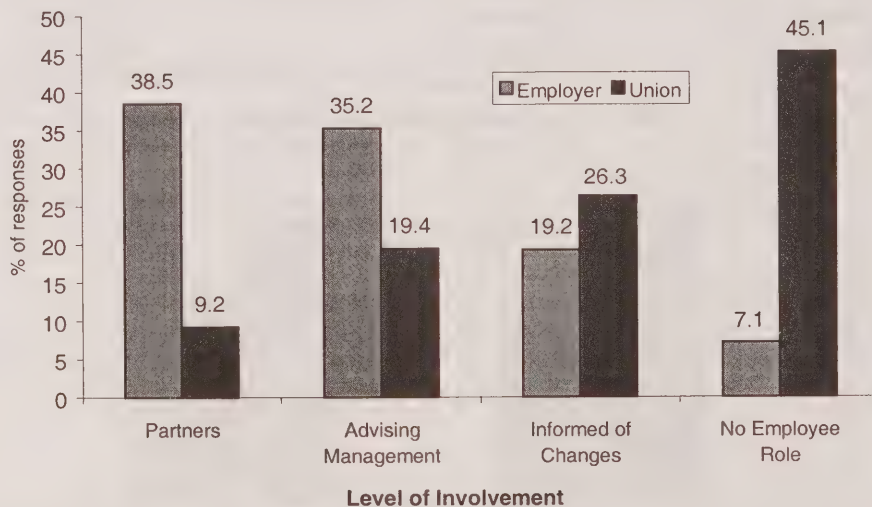
The parties were also asked to indicate, using a six-point scale, their level of agreement with the statement that the parties have respect for each other's goals. The average scores were 4.11 for employer respondents and 3.21 for union respondents. In other words, managers tended to perceive a moderate level of respect for each other's goals, while unions were less optimistic in their assessment.

Two additional questions, which were included only in the union survey, measured participants' level of agreement with the statements that the union has a lot of trust in management's ability to manage the organization, and the employer treats the union as having a legitimate right to represent employees. For the first question, the mean score was 2.49, while the average for the second question was 3.70. In short, while unions were somewhat optimistic concerning employer views about their right to represent employees, they reported low levels of trust in the employer's ability to manage (with 77 per cent having a score of 3.50 or less).

Managing New Technology

A major issue in the implementation of new technology revolves around the involvement of employees in the decision-making process. In the surveys, participants were asked to choose one of four options addressing the participation of bargaining unit employees in decisions relating to technological change. As noted in Figure 3, employer and union respondents varied markedly in their perceptions concerning employee involvement in such decisions.

Figure 3
Involvement in Technology Decisions



First consider the responses from local union officials; only 9 per cent of the respondents indicated that bargaining employees are considered partners in the decision-making process, and a further 19 per cent reported that employees are limited to advising management of their concerns relating to technology. About 26 per cent of unionists indicated that bargaining unit employees are simply informed in advance of changes to be made, and 45 per cent perceived that employees have no role in the decision-making process as it relates to technological change. In brief, these findings suggest that union officials generally believe that employers do little to involve unionized workers in technology decisions.

Employer responses were quite different. Almost 39 per cent of employers indicated that employees are considered partners in the decision-making process, 35 per cent reported that employees only advise management of their concerns relating to technological change, 19 per cent indicated that employees are only informed in advance of technological change, while only 7 per cent perceived that employees are not involved in the decision-making process.

Support for Co-operative Programs

To what extent do employers and unions support co-operative programs? In both surveys, the respondents

were asked to consider four parties (local union leaders, local union members, supervisors, and upper management) and to indicate the support of each of them for joint labour-management co-operation programs (1 = no support; 6 = strong support). The results from this set of questions are provided in Figure 4.

When considering local union leaders' support for co-operative programs, both employer and union participants indicated a modest level of support (average scores were 4.04 and 4.15 respectively). The parties were more likely to differ when considering the support for co-operative programs among the other groups; employers were consistently more likely to perceive that the party in question was supportive of co-operative programs. For example, employer respondents, on average, indicated somewhat high support for co-operative programs on the part of upper management (average score of 4.44), while union officials did not perceive upper management as strongly supporting co-operative programs (average score of 3.24).

Three additional questions that were included only on the union survey addressed other aspects of labour-management co-operation. These findings are summarized in Table 1. When considering the statement that "management views co-operative programs as a way to reduce union power," the average score was 3.48; interestingly, 50 per cent of union officials expressed

Figure 4
Support for Co-operative Programs



Table 1
Unions and Labour Management Co-operation

<u>Statement About Labour-Management Co-operation</u>	<u>Average Response</u>
Management views co-operative programs as a way to reduce union power	3.48
Interests of the employer and union are in conflict	3.51
Co-operative programs threaten the union's existence	2.88

some level of agreement with the statement (score of 4 or greater), while 50 per cent disagreed with the statement. The mean score for the statement that "the interests of the employer and union are in conflict" was 3.51, with 48 per cent of union officials expressing some level of agreement with the statement. Overall, there was less support for the statement that "co-operative programs threaten the union's existence" (mean score of 2.88, with 33 per cent of union officials expressing some agreement with the statement).

The Learning Organization

In light of the current focus on the learning organization, union officials were also asked a series of questions relating to this topic. Five of these questions provide

additional insight into union views of the employment relationship. Again, each of the questions was measured on a six-point scale (1 = strongly disagree and 6 = strongly agree). The results are presented in Table 2. The average responses for four of the five questions were below 3.50 (the scale midpoint). For all but the first question, the majority of union officials expressed some level of disagreement with the statement (score of 3 or less). By way of example, 77 per cent of union officials disagreed with the statement that the organization supports bargaining unit members who try new things and take calculated risks, while 67 per cent did not agree that the organization cherishes the diversity of the perspectives and competencies of bargaining unit employees. Although employers may perceive that they are working with

Table 2
Unions and the Learning Organization

<u>Statement About Learning Organization</u>	<u>Average Response</u>
New ideas and suggestions are regularly made by bargaining unit employees	3.55
Organization is committed to the education and development of its bargaining unit employees	3.14
Organization supports bargaining unit members who try new things and take calculated risks	2.52
Organization makes information accessible to bargaining unit employees and facilitates an atmosphere of open communication	3.19
Organization cherishes the diversity of the perspectives and competencies of bargaining unit employees	2.95

organized labour and embracing the concept of a "learning" organization, the empirical results from union officials do not support this optimism.

Two additional questions addressed the extent of union involvement in the organization's strategic planning process and the level of understanding of the organization's mission. The results indicated that union involvement in the organization's strategic planning process is low (average score of 2.40 on a six-point scale, where 1 = low involvement and 6 = a lot of involvement). About 79 per cent of union officials indicated a relatively low level of involvement in strategic planning (score of 3 or less). Similarly, many union officials reported that the organization did not have a clear strategic mission that was well understood by bargaining unit members (average score of 2.80 on the six-point scale). More than two-thirds (72 per cent) of union officials scored this statement at 3 or less.

Conclusion

Are the views of employers and union officials all that different? Although this paper presents only descriptive results based on survey responses, the findings suggest that on a number of industrial relations issues, the perceptions of labour and management vary noticeably. For instance, union leaders are more likely to believe that the employer does not see the people in the organization as its most important asset. Moreover, union leaders are much less optimistic when considering decision-making ideology, labour climate and employee involvement in new-technology

decisions. Furthermore, union leaders see only modest support for co-operative programs on the part of supervisors and upper management.

In a recent article, United Food and Commercial Workers International Union Director Michael Fraser expressed some of the concerns about labour-management co-operation from the union perspective. He noted that "if a less adversarial approach would enable us to achieve better collective agreements for our members, then of course that would be our objective. It has been our experience, however, that most employers only become less adversarial and talk about cooperation when they want something that will benefit them" (Fraser, 2001).

Does this mean that labour-management co-operation programs are doomed to failure? No, but an employer and union embarking on a program of co-operation have many hurdles to overcome. The survey responses from local union officials indicate that, on average, unionists do not see the labour relations environment in as positive a light as do employer representatives. However, some union-management relationships are not adversarial and the parties have had considerable success with co-operative efforts. Still, many union-management relationships lack the trust, openness and long-term commitment necessary to successfully implement and sustain co-operative programs, and it appears that even successful joint labour-management initiatives may be fragile

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Coming in the Next Issue!

The **Employment Equity Merit Awards** will be presented in early 2002. Watch for an article listing the winners of the Vision Award and Certificates of Merit.



THE INFLUENCE OF EMPLOYEE INVOLVEMENT ON PRODUCTIVITY: A REVIEW OF RESEARCH

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In recent years, it has become a central tenet of management to involve workers in more of the decisions concerning their work. The research review¹ analyzes this development and assesses what we know about its impact on productivity.

There are at least two reasons for looking at this connection between employee involvement and productivity. First, major innovations in the management of labour have occurred in recent decades. Second, while previous generations of work reforms were instigated to improve the quality of working life, the current generation is more openly driven by objectives of productivity and economic performance. In this context, an ongoing stream of research seeks to establish the extent to which employee involvement really contributes to workplace productivity.

Employee Involvement and Productivity: How and Why this Connection Matters

Social scientists who are interested in looking into the "black box of production" like to stress that the process of production is relatively autonomous from the workings of the economy as a whole. This means that the transformation process that occurs at the point of production is conditioned very much by the structures and institutions of the wider society, but that local actors still have a great deal of autonomy, which will determine whether the workplace is innovative and efficient. Much depends on the social arrangements they are able to construct.

The starting point in studying the link between workplace relations and productivity is the indeterminate, or open-ended, nature of the employment relationship. While

compensation and general working conditions are agreed in some way at the time of employment, the employee's actual contribution, in terms of volume and quality of output, remains largely unspecified. Much depends on employees' willingness to invest their skills and know-how in the production process. In turn, such commitment is built on organizational arrangements, well-accepted working conditions and co-operative relations more generally. In short, employee involvement is crucial because, to a large extent, effort remains discretionary. The term "employee involvement" refers to the various means and processes by which workers take part in decisions concerning the use of their skills and resources in the production process.

This indeterminacy of the "level of effort" is neither a mere technical problem, nor a matter of measurement that can be resolved by the application of industrial engineering principles. Of course, Frederick W. Taylor's objective was to reduce uncertainty in this regard by reinforcing management control and taking away what he saw as excessive autonomy on the part of labour. Henry Ford also had this problem in mind when he first introduced the moving assembly line in Detroit in 1913. But addressing the problem and solving it are two different matters.

In spite of such advances in the rationalization of work, the question of the "effort bargain," that is, the social arrangement regarding the "normal" or "fair" contribution expected for a given wage, remained

¹ This article is a summary of a research conducted under the auspices of the Applied Research Branch of Strategic Policy, Human Resources Development Canada. The full version of the document, *Paper R-00-4E, Jacques Bélanger, 2000*, can be viewed at <http://www.hrdc-drhc.gc.ca/arb> under "WHAT'S NEW."

on the agenda throughout the 20th century. A key factor that makes the determination of output levels a complex matter is that the conversion of mental and physical resources into productive activities occurs in the context of an employment relationship characterized by relations of subordination—a notion that has economic, social and legal dimensions. Indeed, the division between management and labour was institutionalized in a very clear way in the labour laws defined in the United States and Canada as part of the New Deal social compromise (Sabel, 1997).

Productivity levels are influenced by this structural division between management and labour. The willingness of workers to "give their very best" is conditioned by this characteristic feature of the employment relationship, which means that workers do not have control over the organization of their work and do not necessarily receive more wage compensation, at least in the short term, if they produce more. This makes motivation a considerable problem. From the 1940s, Georges Friedmann, the leading figure in the development of the sociology of work in France, insisted that this social dividing line between management and subordinates was at the origin of alienation and non-cooperation.

In spite of the structural division just described, social scientists carrying out field research at the point of production observe much more co-operation than conflict. The development of a *modus vivendi* is necessary if the production system is to be efficient enough to produce value added and ensure the continuation of the employment relationship in the context of market competition. There is no doubt that, independently of technological evolution, co-operation is crucial if acceptable levels of productivity growth are to be generated at the point of production.

Thus, if we examine the "human side" of the organization, it is evident that success depends not only on skills and know-how, but also on the shared will to use these. This is the basis of the distinction between human capital and social capital. The latter is portrayed by Fukuyama as "a capability that arises from the prevalence of trust in a society or in certain parts of it" (1995: 26) and that greatly influences the relative success of national economies. The notion of trust, which refers to an expectation of reliability in the pursuit of relations, has to do with the sharing of norms and values. Although trust has to do with the culture of the wider society, it is also greatly conditioned by social arrangements at the micro level.

Paradoxically, trust can develop further between management and labour once they have acknowledged their different interests. This makes it possible to consider fruitful arrangements that are based on the distinct rationales of management and labour but that also offer prospects for competing successfully over time. This is the essence of joint regulation (Bélanger and Thuderoz, 1998).

Interestingly, the indeterminate duration of the employment contract, which often extends over long periods, helps foster trust and co-operation, whereas short-term contracts give rise to more opportunistic behaviour. When studying the social foundation of productive behaviour, it is important not only to think of productivity in the short term but also to consider the capacity of a given production unit (and of the economy as a whole) to renew the skills and resources for innovation over time.

The above analysis suggests that the effects of workplace relations on productivity are largely underestimated in the academic literature.² Too much discussion is based on the false assumption that one hour of work simply corresponds to one hour of production. In reality, unless work is made routine by a technical device such as a conveyor belt or assembly line,³ the conversion of labour power is quite

² Although we use the term productivity in the sense of labour productivity, that is, an amount of output produced per unit of labour input, it follows from our analysis that it would be difficult to establish a measure that reflects the impact of labour as distinct from other factors of production. In fact, productivity measures provide a useful indication of the extent to which labour performs in transforming the various resources and factors of production. It follows that an increase in capital intensity does not reduce the importance of labour co-operation on productivity; in most cases, it only makes it more crucial.

³ In such a case, the pace of the assembly line will nevertheless be influenced by "social forces." But it is more important to recall that the prevalence of such a technical device is exaggerated. On the basis of a major national survey covering all sectors of employment in Britain, Duncan Gallie and his colleagues stress "how exceptional it is for individuals to be controlled by a machine-paced or assembly-line system. Only six per cent of employees said a machine or assembly line was important for their work effort, and only four per cent for their work quality" (1998: 65; their emphasis).

variable. Our observation in a factory located in Quebec, where production levels had stabilized at a high level and profitability was high, illustrates these complex issues. The practice of early finishing was well established and accepted as part of the social convention between management and unionized labour. Indeed, it was instrumental in generating consent and co-operation at work (Bélanger, 1989). Both in theory and in practice, a variable reserve of productivity is built into any system of production, and productivity depends on a complex set of technical and social factors. The point is that the actual level of productivity per employee is not the maximum level possible. A social compromise has to be established in any workplace about the actual level of output. Indeed, industrial sociology shows that any attempt by management to completely eliminate the reserve of productivity is likely to fail and be counter-productive. It is nevertheless widely accepted that in the current phase of globalization and competitive pressure, such reserves have been shrinking. This has been achieved mostly by increasing the proportion of working time actually devoted to productive activities.

In almost every workplace, there is a standard or norm with regard to the expected performance on a given job. This has been well documented in the industrial sociology literature. Although norms may be only indicative, in many workplaces they are known by all participants and correspond to the actual output on a given job. In spite of Taylor's influence, these norms (which usually relate to daily production in the manufacturing environment) often have more to do with custom and practice than with sophisticated work study.

What is changing, though, is the nature of work as we move from a manufacturing-based to a "knowledge-based" economy. The evolution toward more abstract labour, not only in the sectors most closely associated with information technology, has many implications for the way management can monitor the use of labour power. As Peter Drucker stressed recently (1999), in more knowledge-based production, the intangibility of output has increased so much that the whole notion of productivity (largely defined on the basis of manual work in the Taylorist tradition) may have to be reconsidered. In such situations, productivity depends more on the application of knowledge and skills and less on the pace of work or on giving the impression of "working hard." Appraisal of the contribution of an employee or of a group of employees to the firm's performance then becomes a key issue for management.

It should be clear by now that the innovations we have in mind include, but are by no means limited to, union-management relations and collective bargaining. Considering our focus on productivity, the paper deals mainly with the social arrangements that must be made at the point and in the course of production. This is not to underestimate the importance of the set of rules enshrined in the collective agreement. In particular, the rules governing the internal labour market, such as job classifications and stipulations concerning temporary transfers and internal mobility more generally, have much to do with productivity. New ways developed jointly by unions and employers to regulate conflict and stabilize relations have been well documented in industrial relations research. In the Canadian context, such developments have been observed mostly

in large private sector firms (Chaykowski and Verma, 1992; Verma and Chaykowski, 1999). But changes in work organization appear to have been even more pronounced recently in Canadian workplaces.

The paper does not dwell on the complex set of factors fostering these major changes in the organization of work and production more generally. Suffice it to stress that the impetus for workplace innovation has enough to do with structural changes—in the global economy, in the way multinationals monitor production internationally, and in the way we are moving beyond the production of standard goods and services—to suggest that we are unlikely to return to the post-war patterns of production and workplace relations.

Changes in Work Organization

In the study of employee involvement and productivity, work organization is the principal sphere of interest. Work organization refers to the way labour power is used in the production process and is more circumscribed than production management, although the two are closely related.

The figure (see next page), based on the distinction between the technical and the social division of labour, seeks to illustrate the direction and meaning of ongoing change in the sphere of work organization. The technical division of labour, on the horizontal axis, refers to the way work is fragmented and subdivided into limited operations performed by separate workers. The description of a pin-making factory by Adam Smith, at the very beginning of *The Wealth of Nations*, sheds

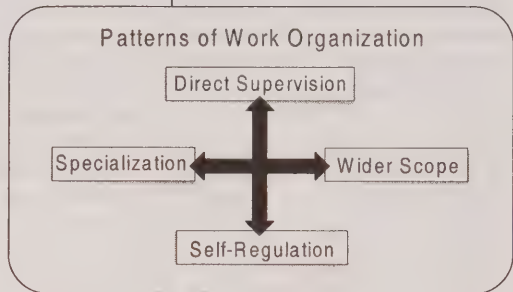
light on the traditional idea of specialization as a major source of productivity. The simplification of a specific operation, repeated according to a very short cycle, was meant to increase a worker's dexterity on a given task. Frederick Taylor is rightly seen as the one who developed this idea most systematically, in an approach that was well adapted to the industrial production of standardized goods. The Fordist era of production, and particularly the system of rules associated with a large number of job classifications, then brought this conception of production to its utmost possibilities. Over time, however, its limitations as regards efficiency became increasingly obvious. Since the 1960s, even before structural changes in market conditions took place, there have been several waves of experimentation aimed at reducing specialization and individualized work.

For more than three decades, the tendency has been to decrease the technical division of labour and give workers a wider scope of activities. In the 1960s, experts in organizational behaviour thought that job enlargement and job enrichment would help to reduce alienation and tackle the "motivation problem." But the reduction of task fragmentation was often minimal. Various forms of multi-tasking and multi-skilling sought to do more than enlarge the duration of work cycles. Over the last 10 years or so, there has been a clear trend to reduce the number of job classifications, foster job rotation and internal mobility, and make the work group or team responsible for a degree of horizontal co-ordination. While workers used to be assigned individually, often for long periods, to a given job made up of well-specified tasks, the ongoing trend is to make

workers more versatile and work organization more flexible. Case studies and national surveys (such as the British survey reported in Gallie et al., 1998) confirm the growth of task discretion in most sectors of employment.

The vertical axis of the figure illustrates the social division of labour, that is, the structural division between management and labour discussed earlier. As noted, this is a general feature of the employment relationship, and management control remains a necessity in the current economic structure. But major developments have been observed in the forms of control and supervision. Clearly, the tendency is to reduce direct supervision, a key element of the traditional hierarchical structure and of the Taylorist vision of work organization. For several decades, the tendency was to "soften" direct control, to make it more subtle. But many workplaces are doing more than changing the style of supervision. As the conception of work organization evolves from the individual to the immediate work group, the sphere of self-regulation in which employees manage their contribution to production is growing. This development of new forms of social control has both an objective and a subjective dimension. Many decisions regarding the organization and co-ordination of work are devolved to workers, individually or collectively; this is referred to as the objective dimension. But self-regulation also relies on both the internalization, by individuals and

groups, of production and quality standards and the acceptance of the need to "improve performance in the context of globalization," which is the subjective or symbolic dimension.



It is also important to consider the slow movement of individual organizations across various points on the figure's two axes as part of an ongoing process. While the pin factory observed by Adam Smith would be located at the extreme upper left, the ideal-type of the knowledge economy, such as the research and development division of an information technology firm in Silicon Valley, would be at the extreme lower right of the figure. It is important to emphasize that we are not suggesting that there is one best pattern of work organization. For a given organization, the optimal position on the figure depends on several factors, including technology, product standardization and human capital. The point is that the organizations studied by many researchers in recent years are moving, from different starting points and at different paces, on a trajectory from upper left to lower right, that is, towards wider scope and a growing degree of self-regulation.

Appelbaum and Batt point out: "By self-directed teams we mean groups of workers who have substantial discretion over the work process, make changes in production methods as needed, and take on many of the tasks traditionally carried out by front-line supervisors, such as allocating and coordinating work between different employees and scheduling" (1994: 253, no. 3).

It is relevant to look more specifically at teamwork, the form of employee involvement that has been studied most thoroughly in the academic literature and is rightly considered as the most representative example of autonomy and self-regulation. The development of teamwork, internationally, is the object of much discussion in the academic literature. Sometimes labelled "semi-autonomous," "self-directed" or "self-managed," teams are groups of workers who gradually take charge of activities and decisions concerning the organization and co-ordination of their work, many of which used to be handled by front-line supervisors.

Empirical accounts of the effects of teamwork on social control and efficiency present varied pictures. In particular, results are quite variable in the automobile industry, where the rigour of the assembly line remains a major constraint. Some of the main difficulties of teamwork relate to the ambiguous role of team leaders and the phenomenon of peer pressure, which refers to excessive social control between co-workers. Although peer pressure is certainly present in many workplaces and is a matter to be considered seriously, obser-

vation shows that such a development is not universal and suggests that other factors, which have been discussed very little in the literature, may be more important in understanding the connection between teamwork and productivity.

We call the first of these factors the "decompartmentalization" effect, which occurs when work evolves from an individual to a more collective responsibility. With hindsight, some of the limits of the specialization and division of labour advocated by Smith and Taylor become obvious. But breaking down the walls of specialization and individual assignment through the creation of a collective unit can make a difference. Although further research is needed here, what we call the decompartmentalization effect seems related to broader changes in the management of production (Klein, 1991). This effect, whereby new connections and links are fostered, also extends beyond the limits of a given team. Indeed, as self-regulation develops further, workers communicate more openly with teams operating upstream and downstream in the production chain and take charge of some of the co-ordination with service departments such as planning, maintenance or quality control. In particular, production workers communicate with maintenance people directly instead of reporting faulty equipment through formal communication between foremen, as in the "old days."

A second key factor has to do with the ongoing change in the nature of work, namely the development of activities that are based more on knowledge, cognition and abstract labour. As noted earlier, in such situations, productivity depends more on the application of skills and less on work pace or on giving the impression of "working hard." Productive activity often involves monitoring a flow of production or, indeed, a process by which the consumer will receive what is perceived as professional, high-quality service. This phenomenon adds to the intangibility of output. The problem for management is that it becomes even more difficult to appraise performance. In such a context, teamwork may offer more possibilities than direct supervision because it is based on self-regulation by a group of employees of a process made of many interdependent activities.

Impact on Productivity

It is now quite common for researchers to state that innovative work systems have a positive effect on productivity and firm performance.

For his surveys, Osterman defines self-directed work teams as: "Employees supervise their own work, they make their own decisions about pace and flow and occasionally the best way to get work done" (1994: 187).

A standard reference is the synthesis written by Ichniowski et al. (1996). On the basis of a careful assessment of the research, they conclude that the empirical evidence tells a "consistent story": "Innovative human resource management practices can improve

business productivity, primarily through the use of systems of related work practices designed to enhance worker participation and flexibility in the design of work and decentralization of managerial tasks and responsibilities" (1996: 322). It is worth noting that the authors are careful to state that "systems of related practices" (a notion to be discussed below) "can" have a positive impact. In the opening sentence of a more recent article, Ichniowski and Shaw state: "Recent research finds that systems of innovative human resource management practices that promote employee participation improve a firm's economic performance" (1999: 704). As a result of their series of papers, which use sophisticated research protocols, Becker and Huselid are considered among the leaders in this stream of research. While documenting some positive results, their recent synthesis of research concludes rather cautiously (1998: 91–98). They stress in particular that:

Despite the growing academic and practitioner interest in strategic human resources management, what we can say with confidence about the HRM-firm performance relationship is actually quite limited. Theoretically, there is a strong foundation for the expectation that superior human capital strategies will be reflected in valued-firm level outcomes. Empirically, however, we have only begun to 'peel back the onion' to gain an understanding of the processes through which high performance work systems add value, as well as to provide significant econometric evidence of the magnitude of such an effect. (Becker and Huselid, 1998: 91–92)

In general terms, research certainly indicates that new work systems have a positive impact on productivity and firm performance. However, this general proposition must be qualified in many ways in order for it to correspond to the current state of empirical research. A major reason is that, given that the "independent variable" (high-performance work systems, high-involvement work systems, etc.) is poorly specified, research is not really additive. As noted by Guest, in spite of the statistical sophistication of many of the studies under review, "they are not looking at quite the same thing so they are cumulative in only a very general sense" (1997: 270). Two other British researchers come to a similar conclusion (Edwards and Wright, forthcoming). On the basis of theory and of a review of empirical work, they express confidence about the connections between high-involvement work systems and performance outcomes, but they stress that the causal chain has not been established and doubt, considering that "causal linkages are multiple and reciprocal," that it can ever be specified empirically. By way of analogy with Granovetter's concept, they emphasize that: "the ties between high involvement work systems and outcomes are variable, reciprocal and contingent, but the remaining weak ties still have a strong and simple message, that managing people well rather than badly affects productivity" (Edwards and Wright, forthcoming: 4, 21).

One way to go a step further in assessing what we know about productivity outcomes is to look more closely at some leading-edge intra-industry studies in this area. One of these makes a useful distinction between the complemen-

tary ways in which innovative work systems can generate economic gains:

First, a high performance work system may reduce the total number of employees—including supervisors, service workers and warehouse staff—required to produce a given amount of output. This increases labor productivity and reduces the plant's unit labor costs. Second, a high performance work system may increase total factor productivity and reduce costs in a variety of ways over and above the reductions, if any, in unit labor costs. It may reduce inventories of raw materials, work-in-process, or final products, for example. Third, by reducing equipment failures or other interruptions of the production process, the actual production of plants can more closely approximate their potential production, thus increasing the measured productivity of the plants' capital and labor resources. Finally, regardless of whether a high performance work system reduces costs, it may lead to economic gains for the plant by increasing revenues and creating information rents (Appelbaum et al., 2000: 45, 105–106).

A first major reference is the international study of 62 automotive assembly plants by John Paul MacDuffie (1995). His key contribution is to show how three bundles of innovative practices, relating to manufacturing practices, work organization and human resources management policies, are actually connected and work together. Each of the two following hypotheses was supported by analysis of survey

data: "innovative human resources practices affect performance not individually but as inter-related elements in an internally consistent human resources 'bundle' or system; and that these bundles contribute most to assembly plant productivity and quality when they are integrated with manufacturing policies under the 'organizational logic' of a flexible production system" (MacDuffie, 1995: 217).

Statistical analysis shows that these three bundles, for which different indices are created, are internally consistent and have positive effects on productivity and quality when they act in a complementary way. Hence, plants with flexible production, based on elements such as the limitation of buffers, teamwork, and a given set of human resources management policies, consistently outperformed mass production plants. An important implication of this line of analysis is that differences in performance outcomes, for example between Japanese and American plants, can be accounted for by organizational characteristics rather than by unexplained cultural or national differences.

The longitudinal study realized by Casey Ichniowski and his colleagues, from monthly performance data in a homogeneous sample of 36 steel finishing lines in the United States, also provides strong support for the idea that only a coherent and integrated system of practices really makes a difference. Statistical analysis "shows that innovative human resources management practices raise worker productivity. Moreover, systems of innovative practices have large effects on production workers' performance, while changes in individual employment practices

have little or no effect" (Ichniowski, Shaw and Prennushi, 1997: 311). The combination of practices that is categorized as the most innovative system (out of four) consistently corresponds to the highest levels of productivity and product quality, while the most traditional system is associated with the lowest outcomes. The "most conservative estimate" of the productivity effects of this innovative human resources management system, expressed in terms of uptime differentials, is in the order 6.7 percentage points; uptime, the key measure of productivity in this industry, is defined as "the percent of scheduled operating time that the line actually runs" (Ichniowski, Shaw and Prennushi, 1997: 293, 303).

In a subsequent study, Ichniowski and Shaw (1999) compared performance data relating to five Japanese production lines. Their results again support the idea of a complementary system of practices, as Japanese plants use a coherent set of measures such as problem-solving teams, rotation across jobs, extensive training, etc. "The empirical results show that technologically similar production lines achieve gains in both productivity (or uptime) and product quality when systems of innovative human resources management practices are introduced" (Ichniowski and Shaw, 1999: 717). More specifically, comparative analysis shows that Japanese lines are, on average, 5 per cent more productive than United States lines, but that American plants using the same set of innovative practices are as productive as the Japanese plants, in terms of both productivity and quality. Indeed, the lines where the most innovative human resources management system is in opera-

tion, whether they are located in the United States or Japan, are on average 7 per cent more productive than lines having the most traditional system (pp. 713-715, 719).

Eileen Appelbaum and her colleagues recently published a comprehensive study on the effects of high-performance work systems on performance outcomes in the United States steel, apparel and medical imaging industries. Performance data were collected from 44 plants, in which interviews with managers and a survey of nearly 4,400 employees were conducted. The notion of high-performance work systems is defined and operationalized around three basic components: opportunity to participate, policies to enhance skills, and appropriate incentives (Appelbaum et al., 2000: 39-44, 116-124). The authors explain how the relevant measures of performance are specific to each of the three industries: productivity (measured as machine uptime) in steel, cost and throughput time in apparel, and work-in-process and finished product inventories in medical imaging (19, 105). As the subtitle of the book suggests, the results indicate that the effects of innovative work systems on organizational performance are positive and consistent in each of the three industries. Data are analyzed in detail and the conclusion stresses that "in general, organizational changes at the shop-floor level make plants more productive and enable them to produce a greater volume of output or a qualitatively superior or more varied output with a given amount of resources" (Appelbaum et al., 2000: 227). The authors assert that this is made possible because "high performance work systems elicit discretionary effort from workers. The more participatory

work organization in a high performance work system draws on the latent knowledge of workers to reduce waste, to solve problems more quickly, and to balance the workload and regulate the production process. Effective effort per hour of work in a high performance work system is higher than in traditional workplaces because workers have the opportunity to work smarter" (Appelbaum et al., 2000: 229).

In sum, a considerable body of research indicates that innovative work systems have positive effects on productivity. But the difficulty of quantifying these effects remains, and probably will always remain, considerable. Drawing on secondary sources, Freeman and Rogers estimate that "as a broad summary, employee participation raises productivity modestly—say, by 2 to 5 per cent" (1999: 105). But although they list a series of publications as references, it is unclear how they arrive at this figure. In fact, the magnitude of the impact depends very much on technology and systems of production. To date, the most accurate calculations (e.g., those by Ichniowski and colleagues) seem to have been made in firms using continuous process technology, where a productivity increase in the order of 6 or 7 per cent is considerable because of its effect on profitability. However, in less capital-intensive production, as is generally the case in batch production and assembly work, variations in productivity are often much more pronounced because output depends less on technology and more on workers' contributions and on organizational arrangements.

So far, researchers have paid less attention to the effects of innovative work systems on quality than to their impact on productivity. But it

is worth noting that in the intra-industry studies referred to above, indicators of quality show the same positive pattern as do those of productivity. In short, current knowledge suggests that productivity improvements are not achieved at the expense of quality; innovative work systems can have a positive influence on both.

Finally, a clear and recurrent research finding is that single workplace practices have little effect but that a combination of such practices really makes a difference when these operate in a complementary way. This notion of bundles does not mean that an organization simply has to increase the number of innovative practices. The change process is much more complex. The key is to generate a synergistic effect, which in turn depends on the fit between the various components of a work system. Some of the research reviewed here provides direction, showing that certain forms of work organization and human resources management policies that enhance skills and incentives can be linked and give good results. But this is not to suggest the possibility of a "one best way," because this complex combination of arrangements also has to be well adapted to the technology and system of production that prevail in a given industry, or in a given segment of an industry.

Impact on Workers' Welfare

While there is growing evidence that innovative work systems are good for organizational performance, the picture is not so clear as regards the effects of these developments on the workers

involved. Research on this question is much less advanced.

In fact, there are reasons to believe that the new patterns of work may have negative consequences for workers' welfare. This aspect is often considered the social cost of such work systems. Although the empirical evidence remains limited, it is reasonable to expect that the drive to rationalize work and the greater involvement of non-managerial employees in the organization and co-ordination of work may have led to a degree of work intensification. Some evidence suggests that workers are not only working "smarter," in many workplaces, they are also working harder. These connections are highly complex, and some preliminary distinctions may be useful.

First, a distinction has to be made between the immediate intensity of effort (or simply work pace) and the distribution of effort during the whole period of work. Our own observations suggest that much of the recent productivity gains derive from an increased proportion of working time effectively applied to production. Second, it is important to study the conditions under which workers are willing to expend more discretionary effort. Since the mid-1980s, a stream of research has developed in Great Britain that seeks to establish if workers really are working harder. The overall finding is that, in general, they actually are. But in reviewing this research, Edwards et al. (1998: 40–45) point out that workers were not necessarily dissatisfied with their level of effort as a result. For instance, in the six organizations studied by Edwards, Collinson and Rees, 57 per cent of the sample could be classified as "committed," in that they were working harder and liked

doing so (1998: 462). Although we are far from a definitive explanation of such complex matters, these authors advance the idea of a "disciplined worker thesis," which essentially means that workers are prepared to put in extra effort if the workplace is well managed, a situation which they prefer. In short, "time passes smoothly, and there is a sense of achievement at the end of the day" (Edwards, Collinson and Rees, 1998: 453; also 470). Third, the notion of "effort" is in itself ambiguous. If the fluidity of work and the flow of production are improved, workers can produce more without necessarily giving more "effort" and experiencing more fatigue. Our own observations clearly indicate that workers do not object to this type of improvement, quite the contrary; but increasing the work pace and "speeding up" is a different matter. Fourth, a considerable limitation on research on the impact of innovative work systems on workers' welfare is the difficulty of specifying the real "cause of the problem." Assuming that employees feel more pressure at work in the current period of increasing competitiveness, globalization and budgetary restraints, does higher involvement and participation make matters worse, or better?

In a recent article, Conti and Gill (1998) were able to conceptualize the possible effect of lean production and just-in-time production systems on job stress. But they acknowledge that empirical support remains limited in this regard. One important source is the survey of 1,670 workers employed in 16 plants in the Canadian independent automobile components sector (Lewchuk and Robertson, 1996). It provides evidence of work intensification and more stressful and unhealthy working conditions. For instance, 61 per cent of unionized

workers surveyed "reported that their workload was either too fast, too heavy, had to be done by too few people, or in too little time" (ibid., 66). No less than 44 per cent reported that "compared with a couple of years ago, their current job was more tense" (ibid., 67). However, the classification scheme developed by the researchers illustrates how difficult it is to differentiate and specify systems of production in order to assess the impact on given outcomes. Only 2 of the 16 organizations studied were "far enough along the path to lean production to be called lean companies" (ibid., 69); the most difficult working conditions were found in these two plants.

Much of the available evidence on the negative effects of new production systems on working conditions relates to the automobile industry (for instance, Rinehart, Huxley and Robertson, 1997). It is also the industry in which the system of lean production inspired by Japanese manufacturers was implemented most thoroughly, especially in North American transplants. In other industries, the application of lean production appears much less systematic, although many of the broader principles relating to production management have been diffused to varying degrees in manufacturing and services worldwide. It follows that, in many workplaces, it would be methodologically difficult to establish a correlation between a "model" such as lean production and workers' health and welfare.

The worker survey conducted by Appelbaum et al. (2000) in the steel, apparel and medical imaging industries represents the most comprehensive effort to estimate the effects of high-performance work systems on workers' welfare. Their detailed statistical analyses focus

mostly on the correlation between workers' opportunity to participate and five different outcomes. Although the necessary nuances are noted, the overall results are very clear for each of these: participation is positively associated with levels of trust, intrinsic rewards, organizational commitment and job satisfaction, and it does not generate more work-related stress. The authors conclude that "improvements in productivity associated with high performance work systems do not come at the expense of workers' welfare" (Appelbaum et al., 2000: 228). The analysis of data on stress, the issue regarded by many as the most problematic, concentrates mostly on the possible connection between the opportunity to participate and five job stressors: role overload, required overtime, inadequate resources, conflict with co-workers, and unsafe and unpleasant physical conditions. Again, the authors insist that the evidence is clear: "these results provide little support for the notion that participatory forms of work organization require workers to work harder ('speed up') by placing too many conflicting demands on them, asking them to do more work than they can handle, or requiring them to work overtime" (ibid., 198). In short, the authors conclude that they "found no support for the thesis that higher effective effort in more participatory workplaces is due to speed-up" (ibid., 229). Nevertheless, it is worth pointing out that the research does not indicate that workers reported low perceptions of stress. Rather, it shows that participation is generally related to lower levels of job stressors (ibid., 198). In other words, these results do not mean that stress is low in these industries; they nevertheless suggest that participation may have appeasing effects on job stressors.

In sum, while the literature suggests that workers' mental and physical contribution to organizational performance has increased in recent years, more research is needed to assess the impact of this ongoing process on workers' stress and health conditions more generally. The issue of workers' welfare has so far received much less attention than organizational performance in the academic literature on innovative work systems and deserves close consideration. Indeed, a deterioration of working conditions would be a problem not only from the perspective of the quality of work life. It would also affect the sustainability of new approaches to production as well as the capacity of organizations to renew their human and social capital and to reproduce, over time, the necessary conditions for productive and innovative work environments.

Neither "One Best Way" nor Totally Contingent

Given the current state of knowledge, there are at least two ways that public policy could support workplace innovation. One is to encourage research on the conditions in which innovative work systems flourish and generate more positive-sum arrangements between management and labour. Another is to foster institutional developments that would incite employers and unions to work on a social compromise that would be more attuned to ongoing developments in the sphere of production. Each of these two propositions deserves some elaboration. The first, on directions for research, will be developed briefly here, while the notion of institutional support will be discussed in the conclusion.

We suggest that progress in research on innovative work systems lies very much in finding the middle ground between two extreme views. At one extreme, some literature suggests there exists something of a "one best way" in terms of organizational characteristics, which, if it could be found and properly tested in a given firm, could be replicated by competitors and even have universal applicability. According to this view, innovative work systems would have "public good" characteristics and would give only a short-term competitive advantage, a factor that would deter investment in organizational development. While not many specialists on workplace relations explicitly hold such a view about the possibility of a "one best way," it certainly underlies many management fads as well as some highly influential books on production models (for example, Womack, Jones and Roos, 1990). Indeed, in their synthesis on work systems and firm performance, Becker and Huselid observe: "A related debate that runs throughout this literature is whether there is a best human resources management system with universal applicability, or whether the strategic impact of human resources management is contingent on the fit between the human resources management system and corporate strategy" (1998: 58).

Considering the specific features of any productive organization and the complexity of the innovation process, this notion of a "one best way" does not fit with reality. But the other extreme, held by many experts in organizational research, is hardly more fruitful. Insisting on the specificity and idiosyncrasies of every workplace and stressing variations from case to case often leads to the view that optimal

organizational choices are "totally contingent." In other words, they see so much firm specificity that no pattern can be inferred. On this account, there would be only limited prospects for theory and public policy. Our point is that each of these two extreme views leads to an impasse. Workplace research suggests, however, that there may be a middle ground, to be outlined briefly here.

The way forward is to examine the conditions under which mutually reinforcing practices happen to fit with a given technology and system of production, and hence contribute to organizational performance. There is some emphasis in the literature on the fact that only clusters of complementary practices can make a difference. In the words of Ichniowski et al., "there are no one or two 'magic bullets' that are the work practices that will stimulate worker and business performance" (1996: 322). Some of the studies reviewed go further in indicating the set of work organization and human resources management practices that adequately support a given technology. We have in mind MacDuffie's research in the automobile industry (1995) and the comparative studies of Ichniowski et al. (1997, 1999) on steel finishing lines. In the latter case, a given set of practices produced similar positive results for productivity and quality in the United States and Japan.

Our own observation of different types of batch production and of continuous process technology indicates that systems of production really make a difference as regards the possibilities for work reorganization. For instance, we studied the progress of teamwork in two aluminum smelters. In such a

continuous process—also in operation, for example, in steel and other metal smelters and in oil refineries—production workers have to monitor technical systems. They have large areas to cover, and performance does not depend directly on individual effort on a day-to-day basis. Rather, it requires good coordination within and between teams, as well as with employees (e.g., maintenance people, engineers and technicians) whose task is to assist production. Such a system of production creates favourable conditions for self-regulation and limited direct supervision. In contrast, in routine assembly work, where performance depends directly on the volume and quality of output of each individual on a daily basis, it is more difficult to do away with direct supervision. Some research suggests that teamwork may then lead to peer pressure and excessive forms of social control (Barker, 1993; Sewell, 1998).

Of course, our aim is not to suggest a form of technological determinism but rather to recall that technology matters. In fact, the key factor is not so much technology per se as the system of production more generally. It may be worth re-examining Woodward's early research (1965) on the links between production systems and organizational structure. She combined the 11 categories of production systems observed in British manufacturing into three main groups: unit and small batch production, large batch and mass production, and process production. Her theory is that unit and small batch production leaves more uncertainty to be managed by the social system. Recent observation of small batch production shows that work is hardly rationalized and standardized by technology and

that frequent adjustments (different product specifications, new set-ups, etc.) have to be made to production lines. This tends to demand more direct supervision.

The contrast between this and a modern aluminum smelter, which is at the other end of the continuum, is striking. Conditions in the latter are favourable to the operation of teams with very little supervision. The hypothesis could be made that as we move from small batch to continuous process, production is more capital-intensive but can be operated efficiently with less supervision. More empirical research is also needed to consider related aspects of the system of production that have consequences on patterns of management control.

These propositions need to be validated through further empirical research, but it is also clear that research has made some progress in identifying the conditions under which a particular set of working practices may find relatively fertile ground.

Conclusion

Innovative work systems can have positive results for productivity and firm performance more generally. But there are two major concerns from the viewpoint of public policy. These are the lack of a more general diffusion of such practices, and their impact on workers. Regarding the first matter, considering the evidence that the effects on performance are positive, there is much speculation about the reasons so many employers stick to traditional work systems. Among possible explanations, Ichniowski et al. consider the following: limited performance gains for some businesses, system inertia, linkages

with other organizational practices, labour-management distrust, the fact that only some of the employees may gain and, finally, institutional and public policy constraints (1996: 325–329). When analyzing why more United States steel producers did not shift to an innovative human resources management system, which has proved its effectiveness, Ichniowski and Shaw note that all greenfield sites actually have done so, but that older lines have to consider "switching costs." Hence, "changing the traditional United States human resources management system to the innovative system in an on-going line would cause a costly upheaval in work relations among employees" (Ichniowski and Shaw, 1999: 718). Indeed, changing work systems is not a technical matter, but raises issues of power. Many employers are still worried that making their production system too dependent on employee involvement would make the production systems more vulnerable and open the employers' decisions to more discussion.

It is important for the logic of our argument to be more specific about why the issues of diffusion and of workers' welfare really are matters for concern from the viewpoint of public policy. Indeed, some analysts may suggest that we simply have to let the market play its role.

The first concern may be understood by standard economic analysis. While some firms obtain good performance and profitability, at least for the time being, without being much influenced by the workplace practices studied here, their contribution to economic growth at the macro level may be more limited. In particular, by sticking to what is often characterized as a "low road" or a cost-cutting strategy,

some firms contribute little to the development of the human and social capital that are increasingly required as we evolve toward a more knowledge-based economy. As noted by Appelbaum et al., "The spillover effects of the adoption of high performance work systems in manufacturing plants on knowledge creation and productivity growth suggest that the gains to society from greater worker participation in shop-floor decisions may exceed the benefits to individual employers. As a result, societies may have an interest in developing institutions that encourage firms to implement these workplace changes and that reduce the cost to individual plants of doing so" (2000: 233).

The second concern, the apparent lack of adequate returns for workers, is relevant because of its possible implications for social cohesion. The workplace innovations studied here, often in the context of highly competitive market forces, have contributed to productivity gains. Considering the ongoing process of globalization and the progress in the spheres of technology and management, this spiral is not likely to slow down in the coming years. There is certainly no principle in economic analysis suggesting it may do so. So the only limit, in theory, relates to workers' willingness to go further along this cumulative process of performance improvements. The lack of "mutual gains" in terms of wages and permanent jobs, as well as possible negative effects in terms of work pressure and stress, may affect attitudes and behaviour in this regard.

This research review indicates that clear patterns are taking shape in the spheres of production management and work organization. Sure, social tensions will always remain

at the point of production and there are many alternative programs and practices, but the general principles of flexible production and workers' self-regulation can now be discerned clearly. In contrast, it is still unclear which institutional framework could usefully support these developments. By this we refer to institutional arrangements at both the macro and micro levels. In spite of much discussion in Canada about the limitations of the system of labour regulation associated with the New Deal compromise in the current economic era, only adjustments have so far been considered. In the workplace, in spite of considerable experimentation in many sectors, the system of rules that could preserve workers' rights and foster more involvement in production is only slowly taking shape. Of course, a precondition of more decisive progress in this regard is the development by the economic agents of a new compromise regarding the regulation of the employment relationship. In the absence of such a compromise, market forces prevail over jointly agreed arrangements and institutions. This situation not only hampers the possibilities of employee involvement, but may also generate further inequalities. In a comparative study entitled *Converging Divergences*, Katz and Darbishire report increasing similarities in employment practices across countries but, in contrast, growing variations within countries. Their argument holds particularly well in the United States where, they insist, market and institutional forces (and particularly low unionization) have generated increased income inequality (2000: 63-65).

A key question related to this research review is: will workers and unions participate in decisions

regarding the design and implementation of innovative work systems? Some evidence certainly suggests that such work systems are diffused more widely and are more effective when unions are involved in their development. This view was recently reinforced by a United States survey (Freeman and Rogers, 1999: 106, 114-116). On the basis of international comparison, Streeck (1996) observes that collective representation actually helps foster workers' participation in new forms of work organization. In fact, as this author argues more generally, rather than being impeded by formal rules and institutions, trust between management and labour is actually fostered by the development of such mechanisms (Streeck, 1992). In Canada, various studies have documented how unions often play a positive role in helping to redefine the traditional system of work rules and adapting it to production flexibility (see the studies collected in Verma and Chaykowski, 1999; also Lévesque and Murray, 1998; Bourque, 1999).

Although this paper has focussed on the links between work systems and performance at the micro level, the linkages between work systems and the structural and institutional environment have no less importance to firm performance. Comparative research on the United States and Japanese employment systems conducted by Brown et al. (1997; also Brown and Reich, 1997) provides some indication of the way forward. The authors insist in particular on the pay structure and its effects on the incentive system as a key element for stimulating workplace productivity. This is one of the factors, along with employment insecurity, that leads to their conclusion that "United States macroeconomic and labour market institutions are not as

supportive of high-performance organizations, especially for production workers, as Japanese institutions" (Brown and Reich, 1997: 779).

In sum, the research review shows that non-managerial employees are increasingly involved in workplace decisions. In our view, these changes, which are not limited to a

specific economic context but are structural, have real potential for enhancing productivity. But the paper seeks to put these developments in perspective and indicates some of the conditions that are necessary for stimulating and sustaining workplace innovation. In particular, unless innovative work systems are supported by arrange-

ments that foster mutual gains and good working conditions, they may lead to economic inequality and social tension. In contrast, social arrangements that are more conducive to trust and social capital will lead to further organizational innovation and economic growth.

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THE EFFECT OF SHARED CAPITALIST INSTITUTIONS ON EFFICIENCY

Richard Freeman
Harvard University

One salient feature of the high-tech economy has been the increasing importance of stock options as a form of employee compensation. Stock options are just one example of a broader trend, particularly in the United States, toward compensation systems based on the economic performance of the firm. Richard Freeman assessed this trend and its impact on economic performance in a lecture entitled *The Effect of Shared Capitalist Institutions on Efficiency*, presented on April 6, 2000.

The speaker noted that in the United States, new forms of compensation based on incentive pay for group or company performance, or on ownership of company shares have spread rapidly. Instead of compensating workers solely with fixed wages, more and more firms have made part of their pay dependent on the economic performance of the firm: awarding stock options, giving profit-sharing bonuses, offering group incentive schemes (gain-sharing) or employee stock ownership programs, and investing defined contribution pension plans in the equity of the firm.

During the 1980s, employee stock ownership programs have grown rapidly, but during the 1990s broad-based stock options came into favour and the proportion of workers covered by such regimes increased sharply. In 1987,

26 per cent of Fortune 1,000 firms reported having profit/gain sharing plans. The proportion had risen to 45 per cent in 1995. In many instances, the introduction of pay linked to company or group performance coincided with the development of institutions aimed at increasing employee involvement in decision-making: teams, total quality management, quality circles, and employee involvement committees.

Freeman examined the extent to which shared compensation practices and employee involvement activities affect performance

and productivity. He found that employee involvement has a significant impact on worker productivity, job satisfaction, and attitudes toward the firm. In fact, employee involvement had a larger impact than shared compensation. This implies that participation in decision-making matters more than participation in financial rewards. The best results, however, occur when firms combine three elements: pay for company/group performance, an ownership stake in the firm, and employee involvement committees.

"Firms that give workers financial incentives but do not empower them to make decisions are unlikely to benefit from their incentive regime..."

Variable incentive pay has become increasingly common in the United States.

Variable pay is sometimes part of a package that seeks to increase employee involvement in decision-making.

Employee involvement improves productivity more than incentive pay alone.

Firms that give workers financial incentives but do not empower them to make decisions are unlikely to benefit from their incentive regime.

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A BRIEF INTRODUCTION TO INTERNATIONAL LABOUR LAW AND ITS IMPLICATIONS FOR CANADIAN POLICY AND PRACTICE

Roy J. Adams
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Not long ago I asked a professor of labour law whether he included a section on international labour law in his introductory course. He didn't, he said, because he honestly knew very little about the subject and, until recently, it had not occurred to him that it might be relevant for his students. Like many others, however, he had plans to bone up on the subject.

Projects such as the North American Free Trade Agreement, the World Trade Organization and the work now being done to establish a Free Trade Area of the Americas have precipitated not only a debate about, but also significant moves toward, the establishment of effective international labour law standards with which domestic labour law would have to comply. This article provides a brief introduction to the development and current state of international labour law and highlights some of its implications for Canadian policy and practice.

International Law

Because its development and impact are less clear-cut than those of domestic laws, the subject of international law is considered to be esoteric even among many lawyers and law professors. At the national level, in essentially all contemporary states there are institutions such as legislatures that pass laws, a judiciary that interprets the law and an administration that enforces the law. At the international level, it is difficult to identify similar institutions. The United Nations and its many specialized agencies quite often adopt resolutions and declarations that have the rough form of national laws. There is also an International Court of Justice, but its mandate is limited to disputes between nations. And there is the United Nations Security Council, which can intervene in very specific conflicts if consensus is reached among its powerful members. But these agencies are a pale reflection of national institutions.

The main sources of conventional international law, which is similar to domestic statute, are international agreements. These take many forms including treaties, conventions, protocols, covenants, declarations, recommendations from international bodies and constitutions of international organizations. Con-

ventional international law applies only to those countries that are party to the agreement in question.

As in nation states, conventional law is accompanied by customary law. Customary international law is roughly similar to domestic common law. It results when states follow certain practices consistently and generally out of a sense of obligation. Customary international law is held to apply to all countries, whether or not they have agreed to be bound by it. A country may escape the obligations of a customary international law, however, if it consistently and expressly objects to the practice of it. But there are some rules that are considered so important (rules of *jus cogens*) that no exceptions are permissible. For example, prohibition of genocide is considered to be such a rule, and offending it is a crime everywhere.

International treaties typically lay down their own procedures for implementation and dispute resolution, but the enforcement of customary law is more uncertain. The primary remedy historically was self-help. If one nation was offended by the internationally illegal practices of another, it could take unilateral

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action against it. Today, resort to armed force is supposed to be the sole prerogative of the United Nations.

Dispute resolution procedures in contemporary treaties may or may not result in some form of economic or diplomatic sanction. In some cases, governments collaborate in sanctioning nations for wrongdoing. Pressure exerted on South Africa regarding its policy of apartheid is an example. At present, most of these processes are not consistent, impartial, or very effective. The failure of the United Nations to take action against the genocide in Rwanda is one of the most shameful episodes of the late 20th century. Trade laws such as the rules of the World Trade Organization, although less than perfect, are among the most effective. Whereas the rulings of many global oversight and dispute resolution agencies are regularly ignored, those of the World Trade Organization are commonly followed.

Other sources of international law are the body of general principles that are common to the major legal systems of the world, decisions of the International Court of Justice and the writings and declarations of eminent legal scholars. For example, the United Nations International Law Commission has the mission of codifying and developing international law, and its reports carry considerable weight.

At one time, it was generally accepted that international law applied not to individuals but rather to nations. In recent decades, however, that norm has been changing. It is now accepted that individuals may be tried for war crimes, even if the crimes are committed within national borders and according to the policies of the regime in power, and that all human beings have certain inalienable rights that need not be codified and may not be taken away by national law.

International Labour Law

The primary source of international labour law is the International Labour Organization, a specialized agency of the United Nations. The Organization came into existence in 1919 and initially was a part of the now defunct League of Nations. It persisted through the 1930s and World War II, when its headquarters was temporarily moved to Montréal, and after the war became part of the United Nations system.

The International Labour Organization is unique in the United Nations family in that it is tripartite. Its governing body consists of representatives of labour, employers and governments in nations around the world. The Organization's annual International Labour Conference is like a global legislative assembly. Each year, it meets in Geneva to consider the passage of new international labour legislation.

There are two major instruments that are commonly on the agenda: recommendations and conventions. Proposals that are passed as recommendations need not be ratified. They establish general international guidelines against which national policies may be assessed. Conventions are stronger. Every member nation is supposed to carefully consider the subject matter of conventions with a view to adopting them as domestic law. For many countries, when a convention is ratified by the national legislature it becomes the law of the land. For others, of which Canada is an example, ratification does not mean that the convention immediately becomes law. Rather, specific legislation regarding the issue must be passed by each province. Ratification also results in obligations to the International Labour Organization itself.

When a convention is ratified and becomes the law in a member country, it may be enforced through the courts of that country. That is the primary and preferred method for making international labour law effective. The International Labour Organization itself also has a committee of legal experts from around the world who deal with the application of ratified conventions. All member countries are required to file periodic reports on their progress toward implementing international standards, and the committee reviews and comments on those reports. In doing so, it fleshes out the bare bones of the wording in the conventions and recommendations.

Regarding freedom of association, the oldest and perhaps the most sacred of global labour norms, the International Labour Organization has a special procedure. There are two fundamental conventions, numbers 87 and 98, that deal with freedom of association and the right to organize and bargain collectively. However, all members, whether or not they have ratified the fundamental conventions (Canada has ratified 87 but not 98), have a responsibility to abide by freedom of association principles. To work out the nature of those principles, the Organization

has a Committee on Freedom of Association, which is tripartite and composed of nine members of its Governing Body. Over the years, the Committee has considered over 2,100 cases. In the process, and in conjunction with the work of the Committee of Experts on the Application of Conventions, it has developed a rich body of jurisprudence explicating the detailed meaning and practical implications of freedom of association. The Committee on Freedom of Association has been referred to as the world's Supreme Court of Labour.

In 1998, the International Labour Organization passed a Declaration on Fundamental Principles and Rights at Work. In a unanimous vote (but with some abstentions), it declared a core set of labour standards to be fundamental human rights, thereby bringing them under the umbrella of international human rights law. The core set included:

- freedom of association;
- the effective recognition of the right to collective bargaining;
- the elimination of all forms of forced or compulsory labour;
- the effective abolition of child labour; and
- the elimination of discrimination in respect of employment or occupation.

Associated with those core rights is a set of conventions (originally there were seven, but a new one on the worst forms of child labour was subsequently added) that the Declaration asserts to be core labour rights conventions. The Declaration asserts that "all Members, even if they have not ratified the Conventions in question, have an obligation arising from the very fact of membership in the Organization to respect, to promote, and to realize in good faith and in accordance with the Constitution, the principles concerning the fundamental rights which are the subject of those Conventions."

The Declaration establishes a procedure that is largely promotional rather than judicial in nature. The International Labour Office is charged with promoting knowledge of these principles and with assisting members in applying them. Every International Labour Organization member is required to file an annual report documenting progress toward its realization.

It is commonly believed that the Organization has no capacity to act against nations that fail to abide by their obligations or ignore decisions rendered by committees. This is not entirely accurate. Under Article 33 of its constitution, the Organization may take "such action as it may deem wise and expedient" to achieve compliance. Theoretically, the only limits on action are those imposed by other international norms. There is, nevertheless, a tradition against the use of sanctions. The Organization used its sanctioning power under Article 33 for the first time in its history when it decided recently to impose penalties on Myanmar regarding that nation's use of forced labour. Whether that is a one-time event or marks a shift in the Organization's practice has not yet become clear.

A Social Clause in International Trade Agreements?

Despite its tradition of jawboning and cajoling rather than imposing sanctions, the International Labour Organization is considered to be one of the most effective, if not the most effective, of all international agencies. Nevertheless, it is clear that many of its most sacred principles are violated daily in the most cavalier fashion. As a result, in recent years there has been an effort, led by the International Confederation of Free Trade Unions, to include a "social clause" in international trade agreements, whose rules are followed more faithfully. In its most common format, such a clause would require parties to an international trade agreement, such as the World Trade Organization, to abide by International Labour Organization core standards or be subject to the sanctions provided for in the trade agreement's rules.

The inclusion of a social clause in the World Trade Organization has been vigorously opposed by the developing nations. Even though the International Labour Organization's Declaration of Fundamental Principles states that members are to fulfil their obligations "to the best of their resources and fully in line with their specific circumstances," the nations of the South fear "disguised protectionism" under which interest groups in developed countries will make use of such a clause to deny them access to Northern markets.

Instead of a social clause embedded in the agreement, the parties to the North American Free Trade Agreement negotiated a separate labour side accord called the North American Agreement on Labour Cooperation.

The three countries agreed to respect a set of labour principles that incorporates but is broader than the core International Labour Organization principles and to put the principles into effect in their own manner. With respect to a few standards, the North American Agreement on Labour Cooperation provides for sanctions if one of the signing countries consistently violates its own law.

Organized labour would like to see labour standards included within the body of the North American Free Trade Agreement, but the member nations have opposed that stance. A labour side accord modelled on the North American Agreement on Labour Cooperation is proposed as the method for dealing with the labour issue in the Free Trade Area of the Americas, even though most unions and many non-government organizations are not satisfied with that approach.

Enforcement Through Corporate Codes?

In addition to enforcement through a social clause, over the past decade there has been a push by non-government organizations to pressure multinational corporations to adopt codes of conduct that would include pledges to respect international labour standards. To increase the effectiveness of those codes, a number of agencies have appeared that have developed sets of general rules, usually modelled on those of the International Labour Organization, as well as methods for ensuring that corporations are complying with the standards. Among the most notable are the European-based Clean Clothes Campaign, as well as the Fair Labor Association and Social Accountability International, both of which are located in the United States. All of these organizations are new and thus do not yet have much of a track record. Social Accountability 8000, the standard of Social Accountability International, is specifically modelled after the ISO 9000 quality management program, which has been very successful.

The United Nations itself has recently gotten into this game. In 2000, it initiated a Global Compact with international business. Firms associating themselves with the Compact promise to abide by international environmental standards and the International Labour Organization's core standards, but there is no provision for independent inspection or for the application of sanctions against offending organizations.

Recently, three Ivy League professors put forth a proposal, labelled Ratcheting Labor Standards, that would make more systematic use of enforcement. Firms would be pressured by unions, non-government organizations and international organizations such as the International Labour Organization and World Bank to adopt codes of conduct, to agree on outside monitoring of those standards and, most importantly, to make performance data public for all their operations. That data would then be assembled and publicized by an international monitoring agency. The availability of such data would allow firms, as well as their customers and potential investors, to draw comparisons. These dynamics, the professors argue, would establish a positive competitive spiral that would lead toward continuous improvement in labour standards around the globe. An initial problem will be to persuade or require a sufficient number of firms to disclose the requisite information.

Enforcement Through Customer and Investor Pressure?

In addition, recent research is another dynamic pushing corporations to adopt corporate codes. The research indicates that a large percentage of consumers are concerned about the conditions under which products are produced. According to some surveys, consumers say they would not purchase goods that they knew had been made under so-called sweatshop conditions and would even be willing to pay a premium for goods that had been produced under conditions that met international standards.

A substantial proportion of investors have also made it known that they would prefer to invest in ethical corporations. This has led to the establishment of ethical mutual funds, which currently perform a small but quickly expanding role in equity markets. For a corporation to be included in such funds, its policies must pass through ethical screens. International Labour Organization core standards are commonly included as part of these screening procedures. Recently the United Kingdom's Financial Times Stock Exchange 100 index screened all its members in order to establish a new FTSE4good index. A third of members failed the test. International Labour Organization core standards were a part of the screen.

Where Does Canada Stand?

Although Canada is internationally recognized as a nation whose labour policies and practices are generally exemplary, some aspects of Canadian policy are problematic. Most notably, the International Labour Organization's Declaration of Fundamental Principles and Rights at Work, as noted above, obligates all member nations to promote, with a view to realizing in good faith, behaviour that is consistent with core principles. With respect to collective bargaining, the Inter-American Conference of Ministers of Labour took this to mean that each country had an obligation to "extend the coverage of collective bargaining to the greatest possible number of sectors of the economy." The Government of Chile adopted the immediate operational standard of more than doubling the collective bargaining coverage rate.

Despite these international obligations freely assumed, Canadian governments explicitly do not promote collective bargaining. With a few exceptions, such as the Ontario law that forbids workfare recipients from unionizing, no Canadian workers are forbidden from organizing with a view to bargaining collectively; but the policy of all Canadian governments is to remain strictly neutral with respect to that decision. Moreover, although Canada's Charter of Rights and Freedoms includes freedom of association, the Supreme Court's jurisprudence deviates from that of the ILO's Committee on Freedom of Association. Whereas the Committee has determined that freedom of association comprehends the right to bargain collectively and the right to strike, the Supreme Court of Canada has denied constitutional protection to those rights.

Although International Labour Organization jurisprudence allows countries considerable leeway to regulate the right to strike, it forbids the ordering back to work of workers on legal strike except under extraordinary conditions such as a national war emergency. Nevertheless, Canadian governments regularly engage

in this practice. Within the past few years, the federal government as well as the governments of Nova Scotia, Ontario, Saskatchewan and British Columbia have offended international labour law by passing ad hoc legislation ordering the end of legal strikes.

Canadian law also excludes various categories of workers such as professionals and agricultural workers from its collective bargaining laws, a practice that is inconsistent with International Labour Organization principles. Certain provincial laws regulating child labour are also problematic.

Although Canada is certainly not a rogue nation like pre-Mandela South Africa or contemporary Myanmar, the wilful violation of international standards undermines Canada's credibility as a champion of human rights and the rule of law. As globalization proceeds, it is a near certainty that international labour law will become more widely known and understood, exposing Canada's situation.

Conclusion

Although currently somewhat esoteric, international labour law is likely to become increasingly important. International trade law has already become sufficiently effective to compel many nations, including Canada, to bring their domestic laws into compliance with it. Today, procedures for enforcing international labour law are less than adequate and the political will to abide by international labour law is weak. But forces are in motion that appear to be leading to increasing pressure to comply. Overall, Canadian policy and practice score high compared with other nations. Nevertheless, Canada has some glaring faults. Now is the time to address them rather than waiting for a major international embarrassment.

Further Reading

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THE LABOUR CONFERENCE: A RESOUNDING SUCCESS

JP Surette
 Labour Communications
 Human Resources Development Canada

On October 17–19, 2001, Canada's Minister of Labour, Claudette Bradshaw, hosted the XII Inter-American Conference of Ministers of Labour in Ottawa, a historic event.

Twenty-one Labour Ministers and representatives from 32 countries of the Organization of American States met to promote basic workers' rights and core labour standards throughout the hemisphere. Delegates were joined by over 200 other participants, including senior government officials; representatives of international organizations, labour, business, civil society organizations, national and international media; and observers.

As host of the three-day Conference, Minister Bradshaw becomes the Conference Chair until the XIII Inter-American Conference of Ministers of Labour in 2003 in Rio de Janeiro.

Globalization can be directed to improve the lives of all our citizens, but this will only happen when the forces of economic and social progress work together in harmony. This is not an automatic occurrence, and meetings such as the Inter-American Conference of Ministers of Labour are necessary to make it happen.

— Labour Minister Claudette Bradshaw



Canada's four main objectives at the Conference:

- Address and implement the labour and employment mandates of the Quebec Summit Declaration and Plan of Action.
- Ensure that the voice of each OAS member country is heard.
- Involve key international institutions more actively in the Action Plan of the Conference.
- Work actively with business and labour groups to ensure their contributions are taken into consideration.

In the Plan of Action, ministers agreed to work co-operatively to help build the capacity of labour ministries; to promote the International Labour Organization's historic Declaration on Fundamental Principles and Rights at Work; to look for consensus on how to address the labour dimensions of globalization; and to share information and build partnerships to address the special needs of workers.

In the months leading up to the Conference, Minister Bradshaw encouraged her counterparts to invite business and labour representatives to Ottawa as members of their delegations, to ensure business and labour groups would be heard. Many of those groups were present, including the Canadian Labour Congress, the Fédération des travailleurs et travailleuses du Québec and the Canadian Employers Association.

Canada used the opportunity to promote even greater co-operation among groups like the Organization of American States and the International Labour Organization. Moreover, the collaboration of other institutions such as the Pan American Health Organization, the World Bank and the Inter-American Development Bank—keys to a progressive and prosperous hemispheric society—were emphasized.

The Minister was pleased to see so many other important groups present, pointing out that this year's event had the highest rate of participation in the 40-year history of the Conference.

Canada is noted for its leadership both in the context of globalization and in moving forward with the Conference's Plan of Action. Promoting and protecting basic workers' rights is an important Canadian goal. Canada's bilateral and multilateral agreements on labour co-operation aim to achieve this goal. At the

root of these agreements, the most recent of which was signed this year with Costa Rica, is a commitment to promote better working and living conditions through the promotion of core labour standards. Continuing this leadership, it was announced just before the Conference that another important step in international labour co-operation was taken with the signing of a Memorandum of Understanding with Brazil.

During the opening session of the Conference, Minister Bradshaw affirmed that the agendas of governments, labour organizations and employer groups can and should coincide. Improving the conditions of working people is a challenge faced by every country in this hemisphere.

Of note, on the second day, was the unanimous adoption of a Statement against International Terrorism. The one-page statement unequivocally condemned the terrorist attacks of September 11, 2001: This terrorist outrage, which targeted people at their workplaces, constitutes an attack upon all citizens of this Hemisphere.

During the final session of the Conference, Minister Bradshaw had everyone's attention as she emphasized the importance of helping labour ministries share best practices and experiences. She went on to say that the gathering of Labour Ministers of the Americas had an important overall purpose—to ensure that globalization is beneficial to every worker in the Americas. She then announced that Canada would contribute \$1 million to facilitate maximum participation in these proceedings; to guarantee that all have an equal voice in deliberations.

The nature and warmth of Minister Bradshaw's closing remarks earned her a standing ovation at the Conference, something that won't soon be forgotten.

*For more information about the
XII Inter-American Conference of Ministers of Labour*
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SELECTION OF RECENT CHANGES IN CANADIAN LABOUR LAWS

Adopted Bills, Regulations and Other Statutory Instruments

Michel Gauvin and Charles Philippe Rochon
Strategic Policy and International Labour Affairs
Labour Program, Human Resources Development Canada

British Columbia: *Skills Development and Labour Statutes Amendment Act, 2001*; Bill 18 Assented to August 16, 2001

This Act brought a number of changes to the *Labour Relations Code*, most notably in the areas of trade union certification, sectoral bargaining in the construction industry and essential services in the education sector.

Trade Union Certification

A secret ballot representation vote is now mandatory when the Labour Relations Board is satisfied that on the date it receives an application for certification at least 45 per cent of the employees in the unit are members in good standing of the trade union. The vote must be conducted within 10 days from the date the application is received or, if the vote is to be conducted by mail, within a longer period the Board orders. The Board may order another representation vote if less than 55 per cent of the employees in the unit cast ballots.

Construction Industry

The Act has repealed Part 4.1 of the Code. Part 4.1 of the Code provided for sectoral bargaining in the industrial, commercial and institutional components of the construction industry. That Part required that all craft unions and the unionized employers having a bargaining relationship with them in that sector operate under a single master agreement. It also provided that any newly certified employers automatically came under the master agreement.

Despite the repeal of Part 4.1, the union bargaining council established under that Part is continued for the purposes of collective bargaining under the Code with the Construction Labour Relations Association of B.C. representing contractors.

Essential Services in Public Education

The essential services provisions of the Code have been amended to authorize the chair of the Labour Relations Board, on his/her own initiative or on application by either of the parties to a collective bargaining dispute, to investigate whether or not the dispute poses a threat to the health, safety or welfare of the residents of British Columbia, as previously provided in the legislation, or, as added by the Act, to the provision of educational programs to students and eligible children under the *School Act*, and to report the results of the investigation to the Minister of Skills Development and Labour.

If after receiving a report of the chair respecting a dispute or on his/her own initiative the Minister considers that a dispute poses a threat to the provision of educational programs to students and eligible children under the *School Act*, he/she may direct the Board to designate as essential services those facilities, productions and services that it considers necessary or essential to prevent immediate and serious disruption to the provision of educational programs.

These amendments came into force on August 16, 2001.

British Columbia: *First Job/Entry Level Wage Regulation*; O.C. 981, approved and ordered November 8, 2001

This Regulation amended the *Employment Standards Regulation* to create a special minimum wage rate for employees who have little or no previous paid employment experience. Effective November 15, 2001, the minimum wage is \$6.00 an hour for employees who had no paid employment experience before that date and who have since accumulated less than 500 hours of paid employment experience with one or more employers. After accumulating 500 hours of paid work experience, employees are entitled to receive the regular minimum wage, which increased to \$8.00 per

hour on November 1, 2001. These new minimum wage rates do not affect employees covered by special daily/monthly minimum wage rates (i.e., live-in home support workers, live-in camp leaders and resident caretakers), or piece work rates (i.e., farm workers who hand harvest certain crops).

Northwest Territories: *National Aboriginal Day Act*, Bill 6, assented to November 6, 2001

In recognition of the cultures and contributions of Aboriginal persons, the Legislative Assembly of the Northwest Territories has designated a new holiday, *National Aboriginal Day*, to be observed June 21 of each year. Consequently, the *Interpretation Act*, the *Public Service Act* and the *Labour Standards Act* will be amended to add National Aboriginal Day to the definition of (general) holiday.

Employees in the Northwest Territories who meet eligibility requirements will therefore be entitled to ten general holidays with holiday pay per year, which is more than what is provided for in the labour standards laws of the other jurisdictions in Canada. The *National Aboriginal Day Act* will come into force on January 1, 2002.

Quebec: *An Act to amend the Labour Code, to establish the Commission des relations du travail and to amend other legislative provisions*; Bill 31 Assented to June 21, 2001

This Act brings many amendments to the *Labour Code* and also amends other laws in consequence thereof. Unless otherwise indicated, these amendments will come into force on a date or dates to be set by the government. The most important amendments are described below.

Labour Relations Commission

A unified decision-making authority having jurisdiction in labour relations, the Labour Relations Commission (Commission des relations du travail), will be established. It will be responsible for ensuring the diligent and efficient application of the *Labour Code* (it will notably take over the functions currently exercised by the office of the labour commissioner general) and exercising the other functions assigned to it under the Code or other Acts.

The Commission will be composed of a president, two vice-presidents and commissioners as well as members of its personnel who are entrusted with

rendering decisions on its behalf. The government will determine the number of commissioners and will appoint them after consultation with the most representative associations of workers and employers' associations. The commissioners will be appointed from among persons declared to be qualified according to the recruiting and selection procedure established by regulation. The Commission will deal with complaints and applications made under the *Labour Code* or other legislation that confers jurisdiction on the Commission to settle complaints and handle recourses. A complaint, a proceeding or an application will be heard and decided by one commissioner, except as regards a certification granted by a labour relations officer. The president may, where he/she considers it appropriate, assign a matter to a panel of three commissioners that includes at least one advocate or notary who presides the sitting.

The Essential Services Council (Conseil des services essentiels) continues to carry out its duties and exercise its powers in matters relating to essential services.

The new Labour Relations Commission will be given the appropriate powers necessary for the exercise of its functions, in particular the power to issue orders, including safeguarding or preventive orders, and the power to initiate pre-decision conciliation, if the parties agree, to bring them to an agreement. The decisions of the Commission will not be subject to appeal and accordingly, the Labour Court will be abolished.

Employee Status

Every employer who intends to make changes to the mode of operation of his/her undertaking entailing the conversion of the status of an employee to whom a certification or a petition for certification applies to that of contractor without employee status, will be required to so inform the association of employees concerned by means of a written notice containing a description of the changes.

The association may, within 30 days after receipt of the notice, apply to the Commission for a determination as to whether or not employee status will be maintained for those who accept to work under the proposed conditions. The Commission will have to render its decision within 60 days after receipt of the association's application.

The employer may not implement the intended changes until the Commission has dealt with the

application or until the 30-period for requesting its intervention has expired.

Certification

A labour relations officer of the Commission will immediately certify an association of employees even where there is no agreement with the employer as regards part of the bargaining unit, if the officer ascertains that the association is nevertheless representative and is of the opinion that it will remain representative regardless of any decision of the Commission on the description of the bargaining unit. No notice to bargain may be given by the certified association before a decision is made by the Commission on that issue.

Where a certified association already exists, or where there is more than one petitioning association of employees, the labour relations officer will certify the association grouping the absolute majority of the employees or, if not, hold a secret ballot in accordance with the pertinent provisions of the Code if the officer ascertains that there is agreement on the bargaining unit and on the persons contemplated by it between the employer and any association concerned. If there is disagreement on the bargaining unit or on the persons included in it, the officer will make a report on the disagreement to the Commission.

The decision of the Commission concerning a petition for certification will have to be rendered within 60 days of the filing of the petition. However, in the case of a petition in respect of a group of employees of the public and parapublic sectors, the decision of the Commission will have to be rendered within the period comprised between the end of the period for filing a petition for certification and the date of expiry of a collective agreement or anything in lieu thereof. The president of the Commission may grant an extension of these periods.

Alienation of an Undertaking

Effective July 15, 2001, section 45 of the *Labour Code*, which provides that the alienation or operation by another in whole or in part of an undertaking does not invalidate any certification, collective agreement or proceeding relating thereto, applies to judicial sales.

Under a new provision, the employer will be required to give the association of employees concerned a notice indicating the date on which he/she intends to alienate or transfer the operation of all or any part of

his/her undertaking. The association will have 90 days after the date of receipt of the notice (or 270 days after learning about the transaction if no notice is given) to apply to the Commission for a determination as to the application of section 45.

Where the operation of part of an undertaking is transferred, the following rules will apply despite section 45:

- (1) the collective agreement expires 12 months after the date of the transfer of the operation of part of the undertaking (or earlier, according to the expiry date specified in the agreement itself), unless, on motion by an interested party filed within the prescribed time, the Commission determines that the new employer remains bound by the collective agreement until the date fixed for its expiry, if it considers that the transfer was made for the purpose of dividing a bargaining unit or interfering with the power of representation of an association of employees (this does not apply in the case of the transfer of part of an undertaking between employers in the public or parapublic sectors);
- (2) the new employer is not bound by the certification or the collective agreement where a special agreement on the transfer of the operation of part of the undertaking includes a clause to the effect that the parties elect not to apply to the Commission to request the application of section 45. Such a clause will bind the Commission, but will not alter the effect, within the transferring employer's enterprise, of the certification of the association of employees having signed the agreement.

Effective July 15, 2001, another provision ensures that a certification, a collective agreement made and any proceedings for the securing of certification or the making or carrying out of a collective agreement continues where an undertaking subject to the *Canada Labour Code* as regards labour relations becomes, in that regard, subject to the legislative authority of Quebec.

However, in such a case, the new employer is bound by a collective agreement made by an uncertified association only until the expiry of 90 days after the date of alienation or transfer of operation if the association has not filed, during that time, a petition for certification in respect of the bargaining unit governed by the collective agreement or in respect of an essentially similar unit. If such a petition for

certification is filed within that time, the collective agreement continues to bind the new employer until the date of a decision rendered by the Commission refusing, as the case may be, to grant certification.

No certification may be applied for by another association of employees in respect of such a bargaining unit before the expiry of that 90-day period or, if as previously mentioned a petition for certification is filed during that time, before the date of the decision of the Commission refusing, as the case may be, to grant certification.

It will be the duty of the Commission, at the request of an interested party, to deal with any matter relating to the above mentioned provisions. For that purpose, the Commission may, in particular, determine the applicability of those provisions. It may also, upon the request of an interested party, settle any difficulty arising out of the application of those provisions and of their effects in the manner it considers the most appropriate.

Where two or more associations of employees are concerned, the Commission will notably have the power to merge bargaining units and, where two or more collective agreements apply to the employees of the new employer included in a bargaining unit resulting from the merger, determine the collective agreement that will remain in force and make any modification or adaptation to the provisions of the collective agreement it considers necessary. The merger of bargaining units will entail the merger, if any, of the employees seniority lists to which they applied, according to the rules determined by the Commission governing the employees integration.

Vote on Last Offers

The Commission may, at the request of the employer and if it considers that it may foster the negotiation or making of a collective agreement, order a certified association of employees to hold, on the date or within the time limit it determines, a secret ballot to give its members that are included in the bargaining unit an opportunity to accept or refuse the last offers made by the employer on all the matters still in dispute between the parties. The Commission may order the holding of such a ballot only once at the negotiation stage of a collective agreement. The ballot will be held under the supervision of the Commission, according to the rules it determines.

Interest Arbitration

An amendment provides that, effective July 15, 2001, when a collective bargaining dispute is referred to an arbitrator at the request of the parties or when a first collective agreement is settled by arbitration, the maximum term of the arbitration award is increased from two to three years.

Essential Services

Where, on receiving an agreement or a list, the Essential Services Council assesses whether the essential services provided for therein are sufficient and considers them to be insufficient, it may, before reporting the situation to the Minister of Labour, make appropriate recommendations to the parties to amend the agreement or the list. It may also, effective July 15, 2001, order the association of employees concerned to postpone the exercise of its right to strike until it informs the Council of the action it intends to take in respect of the recommendations.

In addition, on the same date, the Essential Services Council replaced the Labour Court in the essential services determination process when such services must be maintained during a strike of provincial public servants, except peace officers who are not permitted to strike. If no agreement on essential services is reached by the parties, a party may request the Council to designate a person to help the parties to reach an agreement, or to itself determine what essential services must be maintained and in what manner. The party making such a request must notify the other party without delay. On receiving a request under this provision of the Code, the Council, on its own initiative or at the request of either party, may designate a person to help the parties to reach an agreement. The Council may also, at any time after receiving the request, determine the essential services that must be maintained in the event of a strike and the manner of maintaining them. In addition, it may, at any time, at the request of either party, modify its decision. No person may derogate from any of the provisions of an agreement between the parties or from a decision made by the Council.

Repeal of a Previous Act

The *Act to establish the Commission des relations du travail and to amend various legislation*, which was assented to December 18, 1987 and was not proclaimed into force, was repealed on July 15, 2001.

Amendments to other Laws

The Act also makes a number of consequential amendments to other laws, including the *Act respecting labour standards* and the *Pay Equity Act*. These amendments will bring changes with respect to the administration and enforcement of these Acts.

Since the Labour Court and the office of the labour commissioner general will be abolished, and the decision-making responsibilities of the latter will be transferred to the Labour Relations Commission, an employee who believes he/she is the victim of a dismissal or a forced retirement prohibited under the *Act respecting labour standards* will have to file any complaint with the Labour Relations Commission instead of the labour commissioner general. Likewise, if no settlement is reached within 30 days following the receipt of a complaint regarding a dismissal without good and sufficient cause by the Labour Standards

Commission (*Commission des normes du travail*), an employee will be entitled to request in writing to have his/her complaint deferred to the Labour Relations Commission. Its decisions will be without appeal, binding both the employer and employee.

Some provisions of the *Pay Equity Act* will also be amended by replacing all references to the Labour Court with references to the Labour Relations Commission. Consequently, a party that is dissatisfied with a decision of the Pay Equity Commission (*Commission de l'équité salariale*) will be entitled to apply to the Labour Relations Commission. Furthermore, the Pay Equity Commission will be able to refer to the latter, instead of the Labour Court, to ensure the implementation of decisions, to ensure compliance with the Act or to take appropriate measures against a person who has taken reprisals against an employee for reasons forbidden by the Act.

For additional information on recently adopted or proposed changes to Canadian Labour Laws, please visit the Labour Program Web site at:

<http://labour.hrdc-drhc.gc.ca>

and click on "Canadian Labour Law Information".

READERS' CORNER

Michèle Auger, Fred Longley and Edward Popoff
Library and Information Management Services
Human Resources Development Canada



Work-Life Balance

Beaujot, Roderic P. **Earning and Caring in Canadian Families.** Peterborough, Ont.: Broadview Press, 2000.
HRDC HD4904.25 B46

Based on a detailed look at the abundant data and analysis available on families, this book analyses the tensions associated with accommodating the demands of family and work. Much writing on families tends to accentuate

crisis and conflict, but family activities of women and men are shown here to be both similar and different. A study of total time spent on paid plus unpaid labour reveals no large differences between the time expended by men and women,

although differences lie in the division of work. In this context, the book offers new approaches to public policy and human resource issues facing public and private organizations.

CANADA. Human Resources Development Canada. Labour Program. **Work and Family Provisions in Canadian Collective Agreements.** Edited by Charles Philippe Rochon. Hull, Quebec: Human Resources Development Canada, 2000.
On Internet: <<http://labour-travail.hrdc-drhc.gc.ca/worklife/welcome-en.cfm>>.
HRDC CA1 MPH LA102 00W63

This valuable working tool, based on an analysis of family-friendly provisions from a large sample of major Canadian collective agree-

ments available at the Human Resources Development Canada Labour Program Collective Agreement Library, identifies innovative

practices and emerging bargaining priorities on this issue.

Daly, Kerry. It Keeps Getting Faster: Changing Patterns of Time in Families.

(Contemporary Family Trends) Ottawa: The Vanier Institute of the Family, 2000.

On Internet: <<http://www.vifamily.ca/index.htm>>.

HRDC HQ535 C66 D35

The accelerated pace of technological change in recent years has made it increasingly difficult to balance time requirements for work, family and leisure. Caught between their familial and work responsibilities, parents are left

feeling that they have not done enough with their children and families. This loss of control over time use greatly increases the anxiety and stress felt by individuals and families.

The 1998 General Social Survey (Statistics Canada, 1999) indicates that Canadians are working more and experiencing a corresponding decline in time available for family and leisure.

Duxbury, Linda and Chris Higgins. Work-Life Balance in the New Millennium: Where Are We? Where Do We Need to Go? (CPRN Discussion Paper No. W|12); Ottawa, Canadian Policy Research Networks, 2001. On Internet: <<http://www.cprn.org>>.

Duxbury uses data from her 1991 and 2001 work and family studies to examine the effects of three types of work-life conflict in medium and large Canadian organizations: having too much

work to do; work demands conflicting with family responsibilities; and family demands conflicting with work. During the 1990s, work-life balance has become more problematic, adversely affecting quality

of life and organizational performance. The paper examines progress made in this area, and recommends 27 strategies to reduce all three types of work-life interference.

Johnson, Karen L., Donna S. Lero and Jennifer A. Rooney. Work-Life Compendium 2001: 150 Canadian Statistics on Work, Family & Well-Being. Guelph, Ont.: Centre for Families, Work and Well-Being, University of Guelph; Human Resources Development Canada, c2001. On Internet <http://www.hrdc-drhc.gc.ca/stratpol/gap-pas/pub_e.shtml>.
HRDC CA1 MPY239 O1W55

Using facts and figures compiled from the most recent Canadian data available, the authors address the

difficulties of Canadian workers in integrating work and family responsibilities. Topics covered include

child and elder care, labour legislation and workplace change.

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